

On stream On time
with
Capper Neill
On site

Process Plant Design
and Construction
Worldwide

CONTINENTAL SELLING PRICES: AUSTRIA Sch. 15; BELGIUM

DE 100; FRANCE Fr. 5.00; GERMANY DM 2.0; ITALY L.1.000; NETHERLANDS FI 2.25; NORWAY Kr. 6.00; PORTUGAL Esc 50; SPAIN Pts 85; SWEDEN Kr. 6.00; SWITZERLAND Fr. 2.0; EIRE 50p; MALTA 30c



No. 28825

DE 100

PUBLISHED IN LONDON AND FRANKFURT

Thursday July 15 1982

***30p

SRD

STROUD RILEY DRUMMOND GROUP
The Symbol for Fabrics
Ask for Freedom Suitings

NEWS SUMMARY

GENERAL

Nurses to vote again on pay offer

The Royal College of Nursing disappointed health unions by deciding to ballot its members again on the Government's 7.5 per cent pay offer to nurses.

The decision dashed hopes among other unions that the RCN would reject the offer. They fear that the five-week period needed for the ballot may bring about a slackening of the militancy and solidarity seen so far.

Last month the RCN's 190,000 members voted to reject a 6.4 per cent offer by a 2-1 majority. Back Page

Police rapped

Two Madrid policemen have been disciplined for ejecting English soccer fans violently from a bar during the World Cup.

Jet escapes

A Singapore Airlines Boeing 747 made an emergency landing at Jakarta after flying into a cloud of volcanic ash. Last month, over Java, a British Airways 747 was involved in a similar incident. Back Page

Ozal resigns

Turkey's deputy premier Turgut Ozal, architect of the country's economic recovery over the past 18 months, resigned after disagreements with the military government. Back Page

Factory blast

A blast ripped through a Bangkok factory, which made explosive caps, killing seven workers and injuring 70.

Stones go-ahead

Naples city officials have given conditional approval for a Rolling Stones concert at the week-end, in spite of church protests that the group promotes violence and immorality. Back Page

Briton freed

Afghanistan freed. British archaeologist Ralph Pinder Wilson, 66, a month after he was given a 10-year jail sentence, for smuggling archaeological finds.

Weight watchers

The Romanian Communist Party unveiled a programme of "scientific nourishment" aimed at cutting the population's calorie intake and stressing a diet of meat, vegetables and milk. Page 2

Inquiry delay

The work of the Falklands Inquiry is likely to be delayed as the chairman Lord Franks, 77, is having treatment for a cataract.

Calls blocked

British Telecom plans for a telephone link between Britain and the Falklands, enabling islanders to make free calls, was hit when Atlantic storms blocked signals.

Singer fined

Actress and singer Dinah Shore, 62, was fined £100 by Uxbridge magistrates after she admitted stealing a £27 bottle of perfume from a Heathrow duty-free shop. Page 2

Robbers jailed

Three men from north London were jailed for their part in a £350,000 jewel robbery, in which comedian Mike Yorwood's red Rolls-Royce was used as a getaway car.

Briefly...

Crocodiles on Zambia's Lake Mweru Wantipa eat 30 people a month, said the Zambia Daily Mail.

Hand grenade from World War Two exploded and killed two children in Trikala, Greece. Page 27

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

	RISES	FALLS	
Beecham	289 + 11	Doornfontein	680 + 30
Bulmer (H. P.)	460 + 26	Durban Deep	703 + 139
Chemring	390 + 8	Gold Mines of Kalg	165 + 15
Daejan	162 + 5	Hampton Areas	163 + 5
Ferranti	810 + 10	Harmony	473 + 33
Glaxo	782 + 25	Lilaham	790 + 96
Gresham House	134 + 4	Marievale	90 + 12
Harris (Ph.)	93 + 13	Poseidon	98 + 7
Magnat & Stins.	164 + 6	Venterspoort	200 + 54
Meridiana Wine	112 + 5		
Plessey	500 + 5	Black (P.)	320 - 12
Ralfe & Nolan	96 + 4	British Aerospace	221 - 5
Thorn EMI	380 + 5	Cable and Wireless	263 - 7
Time Products	23 + 4	Glenfield Lawrence	35 - 5
BP	284 + 4	Hambro Life	377 - 5
Anglo Amer. Cpn.	500 + 30	Titaghur Jute	25 - 3

FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

Thursday July 15 1982

***30p

Fierce fighting as Iranian forces cross into Iraq

IRANIAN FORCES smashed through Iraq's border defences yesterday and claimed to have advanced 15 miles after fierce fighting. An Iraqi military communiqué conceded that its troops had given ground but said they had launched a successful counter attack. Our Foreign Staff reports.

The Iranian invasion came after 22 months of fighting. In the past six months the military tide has turned relentlessly against the Baghdad regime, causing growing alarm among the con-

servative oil-producing states in the region. At least 30,000 men are estimated to have died since Iraq invaded Iran in September 1980.

Ayatollah Khomeini, Iran's religious leader, has pledged to overthrow Iraq's President Saddam Hussein and is also demanding payment of \$150bn (£87bn) in war reparations.

Iran's national news agency reported that Iraqi aircraft yesterday bombed the cities of Kermanshah, Khorramshahr and Ilam, killing hundreds of civilians.

The Iranian thrust is

understood to have come about 20 miles north of Iraq's main port of Basra on the disputed Shatt al-Arab waterway. There have been few details of the fighting but Iran claimed to have advanced to within nine miles of Basra, smashed two Iraqi divisions and captured 400 prisoners.

In Washington, the State Department said the Iranian assault had been launched during darkness because of high daytime temperatures. Officials thought that Iranian advance could have pene-

trated up to 20 miles but said they still had no clear picture of Iranian military objectives.

The U.S. has reaffirmed its neutrality in the war but said it was prepared to do whatever it could to apprehend the Iranian military over the possible repressions on its way to support them if their security was threatened.

After a meeting with President Reagan, Mr Howard Baker, the Senate Republican leader, said the attempt by Iran to extend Moslem fundamentalism would be unsettling for Saudi Arabia.

Jordan and other countries in the Middle East. Richard John adds: The Iranian invasion will have no immediate impact on availability of oil but has led to apprehension in the industry over the possible repressions on its way to support them if their security was threatened.

Iran's production from its southern fields in the vicinity of Basra stopped at the outset of the conflict in 1980, together with shipments by it through the Gulf. Gulf war poses queries. Page 6



Wednesday deadline for rail closure

BY PHILIP BASSETT, LABOUR CORRESPONDENT

BRITISH RAIL is to shut the railway network from next Wednesday and dismiss all 23,000 train drivers still on strike unless there is a substantial return to work by

yesterday morning without agreement, BR said that the railway system would be shut from 0001 hour next Wednesday (one minute past Tuesday midnight) unless there was a substantial return to work by ASLEF members.

BR did not specify the level it would regard as substantial.

Despite the fact that in the last few days increasing numbers of drivers have returned to work—688 by 4 pm yesterday, including 391 ASLEF members, up 1.13 trains to be run, compared with 1,083 by the same time on Tuesday—BR acknowledges that the numbers are still marginal.

Sir Peter Parker, BR chairman, said it was a "sad black day for British Rail". His sombre tone was echoed in the Commons by Mr David Howell, the Transport Secretary, who said: "The path ahead for Britain's railways is very dark."

The long-expected decision of BR to take firm action against the Associated Society of Locomotive Engineers and Firemen's strike was taken on Tuesday, but not formally disclosed until yesterday, to allow the Advisory Conciliation and Arbitration Service to pursue its abortive initiative to try to prevent the closure.

Following the failure of the ASLEF talks, which ended early

guaranteed week for the NUR and the contractual salary arrangement for members of TSSA.

The unions are ready to seek an injunction restraining BR if necessary, and BR clearly is unsure about its ability to defend its action successfully in the courts.

BR will complicate the task of Mr Volcker, chairman of the Federal Reserve, in his half-yearly report to Congress next Tuesday in which he has to reassess monetary targets for the second half of 1982 and present provisional objectives for 1983.

He is expected to confirm the more flexible interpretation of the monetary targets already observed by the markets. The Fed has been influenced by evidence that the squeeze has gone further than intended. On the other hand Mr Volcker will want to reaffirm the Fed's long-term anti-inflationary stance.

The sacking of all staff still on strike, or taking industrial action, would take place on Tuesday and include NUR members refusing to cross ASLEF picket lines, a point on which BR has taken legal advice.

Letters will be sent to

Continued on Back Page

U.S. budget deficit may top \$160bn

By SAMUEL BRITTON

THE U.S. federal budget deficit for the 1983 fiscal year is likely to be \$160bn to \$170bn (£93bn to £99bn), according to authoritative New York estimates, rather than the \$104bn forecast by the U.S. administration after Congress gave its blessing to President Ronald Reagan's latest budget plans.

This will complicate the task of Mr Volcker, chairman of the Federal Reserve, in his half-yearly report to Congress next Tuesday in which he has to reassess monetary targets for the second half of 1982 and present provisional objectives for 1983.

He is expected to confirm the more flexible interpretation of the monetary targets already observed by the markets. The Fed has been influenced by evidence that the squeeze has gone further than intended. On the other hand Mr Volcker will want to reaffirm the Fed's long-term anti-inflationary stance.

There are differences of opinion in the Fed on how far to take into account, in reassessing its targets, the rise in the dollar and the associated 20 per cent loss of U.S. competitive power in the past couple of years.

Informed European observers do not expect Mr Volcker to abandon the 2 to 5 per cent range for the growth of money supply. MI already announced for this year and which has been achieved almost to perfection in the first half of the year.

BR will try to maintain trains in areas where it feels regular and economic services are possible. On the basis of recent figures, this could include large parts of Southern Region and areas such as Birmingham and Manchester.

BR is reluctant to tackle before it really has to the legal complexities of suspending the

AEG given £139m loan guarantee

By KEVIN DONNE IN FRANKFURT AND JONATHAN CARR IN BONN

THE West German Government yesterday granted AEG-Tel

funken loan guarantees of up to DM 600m (£139.3m) to cover its major export contracts, a crucial first step in giving the troubled electrical group time to press ahead with its controversial restructuring plan.

Count Otto Lambsdorff, the Federal Economics Minister, made clear after a Cabinet meeting that the loan guarantee alone would not be sufficient to ease AEG's acute liquidity problem. It is also conditional on the banks providing some DM 275m in new funds to underpin the group.

The Minister defended the decision to provide the credit guarantee on the grounds that the Government had a duty to avoid any risk to the whole German economy and to defend the reputation of the country's export industry.

Not all 24 members of the AEG banking consortium are prepared to provide further finance—some only hold shares in the company and have no direct credit lines. However, the company appears assured of receiving its DM 275m, albeit against specific collateral, which is expected to take the form of shares in AEG-Kabel, a profitable cable-making subsidiary of AEG.

The state loan guarantee, which will cover manufacturing finance as well as performance bonds on export contracts, should be worth around DM 300-350m. Together with the bank measures, it is expected to safeguard AEG's liquidity position at least until the year end.

The state guarantee is expected also to provide a psychological boost, allowing AEG to return to more normal trading conditions with suppliers and customers. Equally it should help allay fears among the company's foreign creditors.

AEG has worldwide debts of DM 5bn.

Count Lambsdorff insisted that finding a solution to the

Ambrosiano pressure on Vatican

BY RUPERT CORNWELL AND DUNCAN CAMPBELL-SMITH IN MILAN

THE VATICAN bank, Istituto Banco Ambrosiano SpA, the parent of Ile Opere di Religione, is being pressed to repay up to £1.4bn (£812m) of loans made by Italy's Banco Ambrosiano to several Panama-registered companies operating under the umbrella of the bank of the Holy See.

The mysterious loss of the £1.4bn, which lies at the heart of the Ambrosiano scandal, has been firmly identified here as loans to a group of between 10 and 20 companies in Panama. Three commissioners, appointed by the Bank of Italy, have been sent to take charge of Ambrosiano's affairs, from Milan, have no clear idea, however, of what the Panamanian companies did with the money. Neither has their ownership been established.

There is a widespread speculation in Italy that at least part of the funds was used to purchase shares in Ambrosiano group companies, including

also under their effective control to provide for repayment of at least a substantial part of the outstanding loans.

About half of the total is understood to have been lent originally by the Milan-based parent company of the group, Banco Ambrosiano SpA. The remaining amount of perhaps £700m was lent by the group's subsidiaries, Banco Ambrosiano Holdings of Luxembourg and the Nassau-based Banco Ambrosiano Overseas.

In the meantime, the central bank appears to have averted the threat of international banks moving to call in funds advanced to Banco Ambrosiano Andino in Lima, and Ambrosiano Group Banco Comercial in Managua, lent direct to the Vatican-backed Panamanian companies.

The original funding for these transactions was organic. Continued on Back Page

EUROPEAN NEWS

Portuguese business told to get on with job

By Diana Smith in Lisbon

PORTEGUESE businessmen have been urged to stop being so negative, invest more, increase output and productivity, and to cease expecting the Government to use "magic tricks" to solve difficulties.

Addressing the Portuguese Industrial Association, Sr Joao Salgueiro, the Finance Minister announced that the government had simplified the integrated investment incentive scheme, making it easier for small businesses to obtain automatic access to tax and financial incentives, and that credit ceilings will soon be lifted.

This did not mean credit would be cheaper, Sr Salgueiro warned. As long as dollar interest rates were high, money would be expensive. Interest rates currently range between 22 per cent and 28 per cent a year.

Sr Salgueiro said exporters and importers would soon be able to borrow in the foreign currency of their choice, and foreign currency deposit accounts for non-residents would no longer be limited to Portuguese emigrants.

However, he warned his audience, which persistently complained to him about credit difficulties, that banks would be even more discriminating in their lending. Own capital outside funds ratios would be studied far more closely, and those with little capital who were heavy borrowers—especially importers of consumer goods—would find it harder to raise credit.

Portugal's problem, Sr Salgueiro said, was not so much tight credit as under-capitalisation. The economy would never grow until businessmen injected more capital into their companies on a lasting basis.

Sr Salgueiro was bars on businessmen who have been gloomy about the economy or eager to condemn the Ballesmo Government to death.

"Foreign bankers have been told by Portuguese business people that we are on the verge of economic collapse—when we have better borrowing conditions than many countries," he said. He refused to subscribe to what he called a "negative psychosis." "I suggest you drop it. It is not in your interest."

David Housego, recently in Lyons, reports on a town synonymous with increasing racial tensions

Immigrants blamed for rising French unemployment

SINCE THE disturbances of last year, Venissieux, on the outskirts of Lyons, has become (unjustifiably perhaps) synonymous for many Frenchmen with the racial tensions building up in their cities. It is a dormitory town conceived during the high growth of the 1960s by a Communist municipality which proudly set out to build the largest high-rise housing estate in France to accommodate 35,000 people.

As growth receded, unemployment increased. Venissieux has some 7,000 people aged under 25 out of work. Most of these live in the tower blocks of the Les Minquettes estate (a Zone Urbaine de Priorité, or ZUP in French jargon) and are immigrant families from North Africa—mainly Algerians—who settled in France when labour was scarce. Now their children are the last to get jobs. "If your name is Hamid you don't stand a chance," say young immigrants.

One person in three in Venissieux is an immigrant, but that ratio is kept artificially low. M Marcel Hoti, the town's Communist mayor for 20 years, has ruled that no more immigrant families can move into Les Minquettes.

M Hoti is often attacked as racist for his decision, though there is no doubt that it is

forces have been strengthening in response to local demands for a tougher policy of "law and order." The combination reflects the unease of a government of the Left on race issues.

In opposition, the Socialists advocated a more liberal immigration policy while the Communists blatantly exploited the racist instincts of their traditional supporters. The coalition partners have since com-

plished it is the Communist-led CGT union, which has been championing the cause of low-paid immigrant workers at the Citroen and Talbot car plants—damaging the competitiveness of the car industry but enlarging the base of the CGT.

M Gérard Sif, an education counsellor who has been active in getting legal aid for young people arrested by the police at Venissieux, describes the

problem, he says, "unless you let young people show that they can do something more than burning cars. Now they feel they are only taken seriously when there is a clash with the police. Between the young and the police there is no real dialogue." M Sif is anxious to get the young involved in an active policy to renovate the town.

But Venissieux is no Liverpool. Climbing up out of the industrial suburbs of Lyon-Venissieux is built on a hill—the first impression is to the acres of green space and a horizon of fields and wooded slopes. Nobody claims that it is dangerous to walk around Venissieux, but it is a town whose rapidly built tower blocks have left it without character. It had no cafés or social clubs for the young until 1975 and is still belatedly filling the gap.

M Roger Bourdeleau, assistant to the mayor, defends the policy of keeping new immigrant families out of Les Minquettes, even if they are the married children of families already there. "We don't want this to become a large ghetto," he says. "If the mayor gave the green light, the 2,000 empty flats could be filled tomorrow. But they would all be taken by North Africans. And those are people who have large families."

As part of a new plan to improve the estate, three of the

The French Government has announced a £9m programme for Venissieux—where one person in three is an immigrant and 7,000 people under 25 are unemployed—in an effort to avoid a repeat of last year's violence, which began when youths raced and set fire to stolen cars.

promised on an immigration policy that legalises the status of those "without papers" while derailing new entries.

In the large cities of Paris, Marseilles, Lyons and Lille racism has grown with unemployment. A visitor has only to be in Venissieux a few hours before he hears the well-worn argument that unemployment and social problems would be a lot easier if the 1.7 million immigrant workers in France went home—the number is not far off the total of 2m French unemployed.

The other side of the coin is

summer programme of activities as "dust in the eyes" which ignores the roots of the problem.

The young on the estate feel doubly condemned by society, he claims for being unemployed and for carrying the stigma of living in Venissieux. M Sif has a lengthy dossier of police harassment, of flying raids and haphazard arrests, of people being held up to five months in preventive detention without being brought to trial, and of police brutality.

"You can't remove the

Solidarity's radio station signs off for two months

BY CHRISTOPHER BOBINSKI IN WARSAW

THE SOLIDARITY union's clandestine radio station went on the air in Warsaw on Tuesday evening to mark the passing of seven months of martial law and announced a two-month break in transmissions. It was the first time the station had been heard in the capital since June 8 when some of its organisers were arrested and equipment seized.

Tuesday's three-minute broadcast asserted the radio's right to exist as a public service and to expect aid.

The military authorities recently arrested Mr Roger Noel, a Belgian citizen who has been accused of smuggling equipment for the radio into Poland.

● The Foreign Trade Ministry

Party seeks aid of science to slim Romania

BUCHAREST—The Romanian Communist Party yesterday unveiled a "programme of scientific nourishment" aimed at cutting the population's daily calorie intake and stressing a diet of meat, milk and vegetables.

The plan would mean a change in eating habits for most Romanians, traditionally big consumers of bread and corn.

The party newspaper, *Scienteia*, said the draft programme was being submitted for public discussion. It has already been endorsed by the party central committee's executive political committee, according to *Agerpres*, the official news agency.

The draft does not outline how consumers can obtain the prescribed 80 kg of meat and fish and the 230 litres of milk per capita annually, in the face of widespread food rationing and shortages. Aiming at "im-

proving food structure," it sets an intake of 2,900-3,000 calories per person daily by 1985, down from 3,300 calories at present.

"Less (animal) fats, more proteins, and generally a restriction of calories in daily foods especially for those elderly, can contribute not only to the maintenance of health in optimum conditions, but also to the elimination of some degenerative diseases," the programme says.

It sets out means for "correct" daily consumption according to age, sex, job, physical effort and local traditions.

While protein from meat, milk and eggs are required to cover up to 25 per cent of the daily calorie intake by 1985, cereals will have to be cut back from the present 45 per cent to about 38 per cent. Fat and sugar consumption is to go

down, allowing for vegetables, potatoes and fruit to close the gap.

President Nicolae Ceausescu's Government began a food rationing scheme last autumn in an effort to counter persistent shortages. Meat, sugar, flour and other basic foods have been restricted to 1 kg a month per person.

A Communist party resolution last March disclosed that, because of food shortages, the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

It urged establishment of large-scale rabbit farms to offset severe cuts in beef supplies expected in the next three years.

In some cities, butchers' shops have been closed for "renovation" and June was declared the "month of greenstuff." Few cuts of lean meat are available.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

The decline in the country's consumption of oil continued at a slower pace in the first half of this year, according to the company.

Quite apart from the benefits of clearer—and perhaps more diverse—programmes, both countries hope for export success with their joint satellite system.

● West German oil consumption should fall another 4.5 per cent this year, Deutsche BP said yesterday. AP/DS reports from Hamburg.

The British Petroleum subsidiary also expects domestic oil use this year to decline to 103m tonnes from 107.6m last year.

EUROPEAN NEWS

Rift opens over calls for EEC chemicals cartel

BY SUE CAMERON, CHEMICALS CORRESPONDENT

MAJOR differences of opinion over calls for an EEC "crisis cartel" began to emerge last night at some half-dozen of Europe's biggest companies prepared for a meeting in Brussels.

The companies—Shell, Imperial Chemical Industries, Hoechst, Montedison, Solvay and either Rhône-Poulenc or Ato Chimie from France—were due to have talks with Viscount Etienne Davignon, the European Commissioner for Industry.

No clear picture of the discussions was expected to emerge until later today, but it appears that at least three of the companies—Shell, Hoechst and ICI—are against setting up any thing like a cartel.

The meeting was apparently called at the instigation of the Belgian-based Solvay and the French. Last night it was not clear whether Rhône-Poulenc or Ato was attending.

Earlier this summer, M. Jacques Solvay, head of Solvay, and M. Alexandre Maillet of Ato, paid a private visit to Viscount Davignon to talk about the need for restructuring Europe's loss-making petrochemicals and plastics industry.

M. Solvay, whose company lost BFr 995m (£12.2m) in the first half of last year, is known as a keen supporter of an EEC initiative to solve the problems of European overcapacity. The French Ministry of Industry is also thought to favour an EEC master plan for plant closures.

But the British and the West Germans are evidently against any such scheme. They seem to

have attended the meeting for two reasons:

- To keep a close watch on any proposals coming from other countries;
- To try to persuade the European Commission not to interpret the competition laws too strictly. In particular, they would like to see the way opened for product portfolio swaps across national boundaries.

Last night, the anti-cartel companies were saying privately that an EEC scheme for plastics and petrochemicals restructuring would be unworkable for several reasons:

- The Italians—and probably the French companies—would not co-operate in reducing their production capacity. The "burden of misery" would not be shared fairly.

• U.S.-based companies with major European petrochemical and plastics interests would not be able to take part because of the U.S. anti-trust laws.

- The whole idea would involve large-scale interference in the industry by Brussels bureaucrats. Some senior executives in the industry believe the motive of companies like Solvay and Ato in going to the Commission is to save themselves from having to make unpalatable plant closures.

Japan's plastic producers, like those in Europe, are suffering from overcapacity, reduced demand and weak prices.

The about turn has been caused by a further shift to the Right in the party and a need to renew its image in the wake of the UCD's disastrous showing in May polls for the Andalucian Parliament.

Sr Lavilla was the choice of Sr Calvo Sotelo, who resigned last week from the job to concentrate on running the government.

The continuing factions within the UCD ensured that only 66 per cent of the party's political committee endorsed his candidature on Tuesday night after two days of acrimonious debate.

He is the fourth person to lead the UCD since 1977 and he has the difficult task of preventing further desertions and refurbishing its image in time for early elections in the autumn.

He demanded—and was finally given—sweeping special powers which give him virtual carte blanche to control dissidents, monitor election candidates and even influence Cabinet changes.

Since 1979, Sr Lavilla has been Speaker of the House of Parliament, a job he has conducted with skill, impartiality and on occasions a great flair for speech making.

But as a politician on the campaign trail he lacks popular appeal and suffers from a natural aloofness.

Having passed with honours through the top civil service exams, he became, before the age of 30, a senior executive in Spain's largest bank, Banesto, before going back into the administration and becoming a justice minister.

ITF—Industrial & Trade Fairs Limited:

You may well be the world's largest and most experienced independent exhibition organisers. You may be unaware of the enormous wide range of markets our events cover. Or how cost-effective their market-place coverage is—through Europe, the Americas,

USSR and Far East markets.

Our knowledge of your market puts you in touch with some of the world's best-attended shows, which your prospective customers rely on to make their buying decisions.

To realise the full potential of ITF shows in UK and overseas, simply contact

John Legate, Industrial & Trade Fairs Ltd, Radcliffe House, Blenheim Court, Solihull, West Midlands, B9 1BG. Telephone:

021-705 6707. Telex: 337073

Your market is our business.

ITF

AMERICAN NEWS

New bank governor confident Argentina will meet its debts

BY JIMMY BURNS IN BUENOS AIRES

ARGENTINA IS again building up its foreign reserves and is honouring its commitment to international lenders, according to Sig Domingo Cavallo, the new governor of the central bank.

In a nationwide broadcast late on Tuesday night, Sig Cavallo said that between last Wednesday, when the Government announced its new economic package, and the middle of this week, the Central Bank recorded a net inflow of some \$200m (£116m) in foreign exchange, thus reversing the trend of the past two months.

Sig Cavallo did not detail the current level of reserves, although some banks recently estimated that they had fallen to \$26bn from a peak of \$8bn in 1979. He added that repayments of over \$55m had been made in the past few days.

Earlier this month General Reynaldo Bignone, Argentina's new President, confirmed that his Government would seek to restructure the estimated \$25bn foreign debt in a "way that is compatible with its resources."

Recent estimates suggest that Argentine public and private sector borrowers must repay or refinance about \$12bn in foreign debt this year. However, it is widely accepted in Buenos Aires that Britain will have first to lift its freeze on Argentine assets in the UK before major talks on commercial debt can get under way.

Diplomats see the cessation of

hostilities in the South Atlantic and the return of Argentine prisoners of war as a "significant step forward" towards the eventual lifting of sanctions.

The Argentine Government so far has not clarified what it proposes to do with its foreign debt. However, it is believed to be continuing with its practice of paying interest payments due to British banks into what Argentina claims is an escrow account in New York. Limited repayments are meanwhile being arranged with individual US banks.

Sig Cavallo said he was optimistic about a substantial improvement in Argentina's balance of payments and a controlled budget deficit, thus avoiding the hyperinflation widely predicted by the Government's critics. He was speaking a few days after the Government announced a 21 per cent devaluation of the peso and major financial reforms.

The devaluation, along with strict controls on imports, would lead to a substantial trade surplus, while the lowering of interest rates and the lengthening of terms for deposits would ensure greater stability within the banking system and stem the bankruptcy of industrial concerns, Sig Cavallo said.

The Government is currently in discussions with the country's main employers' federation, the Union Industrial Argentina aimed at an agreement on price controls for the rest of the year.

Falkland development campaign launched

BY JAMES MCDONALD

AN UNNAMED U.S. company, which was interested in a scheme to harvest the huge kelp (seaweed) beds in the Falkland Islands before the Argentine invasion, is still keen on costing the project, according to Air Commodore Brian Frow, director general of the Falkland Islands Office, in London yesterday.

Air Commodore Frow was launching a world-wide information campaign by the Office—a

non-government organisation to emphasise the economic potential of the islands.

He declined to name the U.S. company, but he said that "strong interest" in possible development in the Falklands had been expressed recently by about 30 concerns, some of them very large.

"Prospects for the Falkland Islands" plus information brochure, Falkland Islands Office, 2, Greycoat Place, London, SW1, £2.

Patricia Cheney in Washington reports on how the end of one ERA marked the beginning of the next

Higher political awareness in fight for equal rights

A GROUP of women drew blood from each other's arms with a hypodermic needle and spilled it over a copy of the U.S. Constitution. Red paint was splashed over the facade of the National Archives in Washington. A man was arrested.

Thus a handful of diehards mourned the demise on June 30 of the proposed Equal Rights Amendment (ERA) outlawing sex discrimination in the U.S. The decade-long fight to add a 27th Amendment to the Constitution had failed, three states short of the two-thirds majority needed for ratification.

In Washington, the night before Phyllis Schlafly, housewife-turned-activist and arch foe of the ERA held a party to dance on its grave. She triumphantly announced to her guests that the ERA was "dead for now and forever in this century."

Yesterday, however, ERA supporters proved that while they might be down, they were certainly not out. An identically worded amendment "equality of rights under the law shall not be denied or abridged by the U.S. or by any state on account of sex" was re-introduced to Congress by 170 co-sponsors in the House and in the Senate.

Legislatively, the ERA now stands at precisely the same point it was in March 1972 when it was first voted upon in Congress. It passed easily, and 20 of the 35 states that eventually ratified the Amendment

did so in the first three months after it was submitted.

Despite frantic activity on the part of ERA supporters, and a three-year extension of the original seven-year deadline, only 15 more states ratified the ERA before June 30, the last day in 1977.

The struggle for the Amendment has been fraught with many bitter political lessons for feminists, who entered the arena confident that right would prevail over might. But for all their moral fervour and impassioned rhetoric ERA supporters emerged from the "raging sixties" with precious little political savvy.

They employed the tactics of the radical left, and while they certainly grabbed headlines, they also earned a reputation for extremism and shrillness.

The feminists also managed to alienate a great proportion of their own constituency: women. "Pink collar" workers in clerical positions, housewives, women in minority groups and those who had already stormed the bastions of male power were all put on the defensive by feminist ideology, which either denigrated or totally ignored their positions.

The political naivete of many feminists gave the conservative opposition plenty of opportunity to play on people's worst fears. The ERA, it was argued, would destroy the American family, "constitutionalise" homosexual marriage, and lead to such

anathema as female conscription, unisex lavatories in public places, loss of child support payments and the like.

But there was opposition from the moderates, too. Constitutional purists argued that the founding fathers had already stipulated equality for all,

and that their hallowed documents should not be gratuitously tampered with.

ERA backers responded that the existing Constitution was all very well and good, except that the judicial system was obviously failing to uphold women's rights.

Instead of highlighting the very real advantages of an Amendment which would rectify many discriminatory laws involving property rights, inheritance taxes, sexual harassment



Demonstrators outside President Reagan's Chicago hotel last year. The political maturity of the Equal Rights Amendment backers has yet to erase the popular conception of feminists as bra-burners and soapbox Valkyries.

anathema as female conscription, unisex lavatories in public places, loss of child support payments and the like.

ERA backers responded that the existing Constitution was all very well and good, except that the judicial system was obviously failing to uphold women's rights.

Instead of highlighting the very real advantages of an Amendment which would rectify many discriminatory laws involving property rights, inheritance taxes, sexual harassment

in the workplace and unequal pay scales, ERA supporters retaliated by defacing the facades of public buildings with pro-ERA slogans or throwing cream pies at state legislators.

It was only in the last two years that the mainstream of the women's movement realized it had to learn a lesson or two from the well-oiled political machinery of its arch rivals on the extreme right.

"We are no longer outsiders to the political process, wringing our hands and crying for our rights," said Kathy Wilson, director of the bi-partisan National Women's Political Caucus (NWPC). Women have to learn how to campaign, raise money and marshal public opinion to affect the legislative process directly, she said.

The NWPC has decided to beat the conservatives at their own game. Adopting the strategy of groups like the National Conservative Political Action Committee (NCPAC), it has targeted 12 state legislators (dubbed the "dirty dozen") for defeat in the coming November elections. The Caucus, with more than 60,000 members, hopes to spend over \$1m in an attempt to elect candidates sympathetic to the ERA to state and federal office.

The largest women's group in the U.S., the National Organization for Women (NOW), has a more ambitious "hit list" of 137 Republicans who voted against the ERA.

Other women's political

organisations, such as Women's Campaign Fund and Business and Professional Women, are planning to raise hundreds of thousands of dollars to contribute to candidates who support the ERA. The League of Women's Voters, a nationwide group with a membership of 100,000, plans to seek support for the ERA among already elected Congressmen, both in Washington and in individual constituencies.

A CBS/New York Times poll released on June 30, the day the ERA died, revealed that not only are women voting at a much higher rate than ever previously, their attitudes are also beginning to differ radically from men's.

For example, women in the age group 18 to 44 are a third more likely than men to call themselves Democrats, the party which most strongly supports the ERA. Another significant finding is that much of President Ronald Reagan's recent drop in the polls is due to the ebb in his support among women. Only 41 per cent of women approve of Mr Reagan's job performance, against the male rate of 50 per cent.

There will probably be no time to take any legislative action on the re-introduced Amendment in the present Congress, which adjourns in August. In November, the entire House of Representatives will run for re-election. The resulting Congress will decide ERA's future.

Shultz confirms Taiwan arms supplies to continue

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

MR GEORGE SHULTZ, the U.S. State Secretary designate, yesterday pledged that the U.S. would continue to provide Taiwan with defensive arms, with no time limit, as long as Taiwan needed them.

On the second day of his confirmation hearings before the Senate Foreign Relations Committee, Mr Schultz came under intense questioning on Taiwan from Mr Barry Goldwater, the Right-wing Republican Senator.

The U.S. is committed in the 1979 Taiwan Relations Act to supply the arms necessary for Taiwan's defence, an act which Mr Shultz said yesterday he would obey. But recent reports have suggested that Washington

may be trying to reach an agreement with Peking on phasing out arms sales to Taiwan.

Mr Shultz said that he would support prompt action to avoid a break in the production line of F-3E fighters for Taiwan, which Washington has said it will extend beyond its originally planned mid-1983 deadline for closure.

He made no specific mention of the more advanced fighters that Taiwan has requested, and the State Department later said that U.S. policy on arms sales to Taiwan remained as stated in January, when President Reagan turned down Taipei's request for the more sophisticated jets.

Chile launches bank debt plan

By Mary Helen Spooner in Santiago

CHILE'S CENTRAL BANK has offered to take charge of private banks' overdue loans and bad debts, in an effort to shore up ailing financial institutions and encourage a decline in interest rates.

Mr Miguel Kast, President of the Central Bank, said banks and finance companies would be offered non-transferable bonds in exchange for their portfolios of uncollected loans and high risk debts, which may be cashed in accordance with the Central Bank's collection

system's capital and reserves.

Both the House of Representatives and Senate voted overwhelmingly late on Tuesday for the extension of a copyright law which was vetoed earlier this week by President Reagan on the advice of his trade officials.

The vote was the first Congressional override of a presidential veto since Mr Reagan's election, and the law, which dates back to 1981, will now be extended for four years.

The law requires all literary works written in English by American authors to be printed in the U.S. if they are to enjoy full copyright protection. It also requires two-thirds of Congress to override the veto by far more than major European interests were at stake.

The British Printing industry has estimated that some \$40m of business may be lost to the UK.

Congress overrules Reagan veto

BY ANATOLE KALETSKY IN WASHINGTON

PRESIDENT REAGAN'S trade officials strongly opposed the re-enactment of such an openly protectionist measure at a time when the U.S. is trying to reduce non-tariff trade barriers in overseas markets.

But the President's decision to veto the Bill was not backed by the sort of strong White House lobbying which followed the seven other vetoes which Mr Reagan had imposed during his Presidency. Partly as a result of this, both Houses of Congress overrode the veto by far more than major European interests were at stake.

Mr Peter Rees, the UK Trade Minister, said in Washington recently that major European interests were at stake.

The British Printing industry has estimated that some \$40m of business may be lost to the UK.

This announcement appears as a matter of record only.

June 1982

NIB

NORDISKA INVESTERINGSBANKEN (NORDIC INVESTMENT BANK)

10,000,000,000 Japanese Yen

8.4% Bonds Due 1992 — First Series (1982)

Daiwa Securities Co. Ltd.

The Nikko Securities Co., The Nomura Securities Co., Yamaichi Securities Company, Limited

New Japan Securities Co., Ltd.

Sanyo Securities Co., Ltd.

Merrill Lynch Securities Company,

Osaka Securities Co., Ltd.

Bache Halsey Stuart Shields (Japan) Ltd.

The Chiyoda Securities Co., Ltd.

Marusan Securities Co., Ltd.

Toyo Securities Co., Ltd.

The Kaisei Securities Co., Ltd.

Mito Securities Co., Ltd.

Nichiei Securities Co., Ltd.

Towa Securities Co., Ltd.

Utsumiya Securities Co., Ltd.

The Nippon Securities Co. Ltd.

Deutsche Bank Aktiengesellschaft

Manufacturers Hanover Limited

Post-och Kreditbanken, PKbanken

Swiss Bank Corporation International Limited

Algemene Bank Nederland N.V.

Credit Suisse First Boston Limited

Manufacturers Hanover Limited

Post-och Kreditbanken, PKbanken

Swiss Bank Corporation International Limited

Bergen Bank A/S

Copenhagen Handelsbank A/S

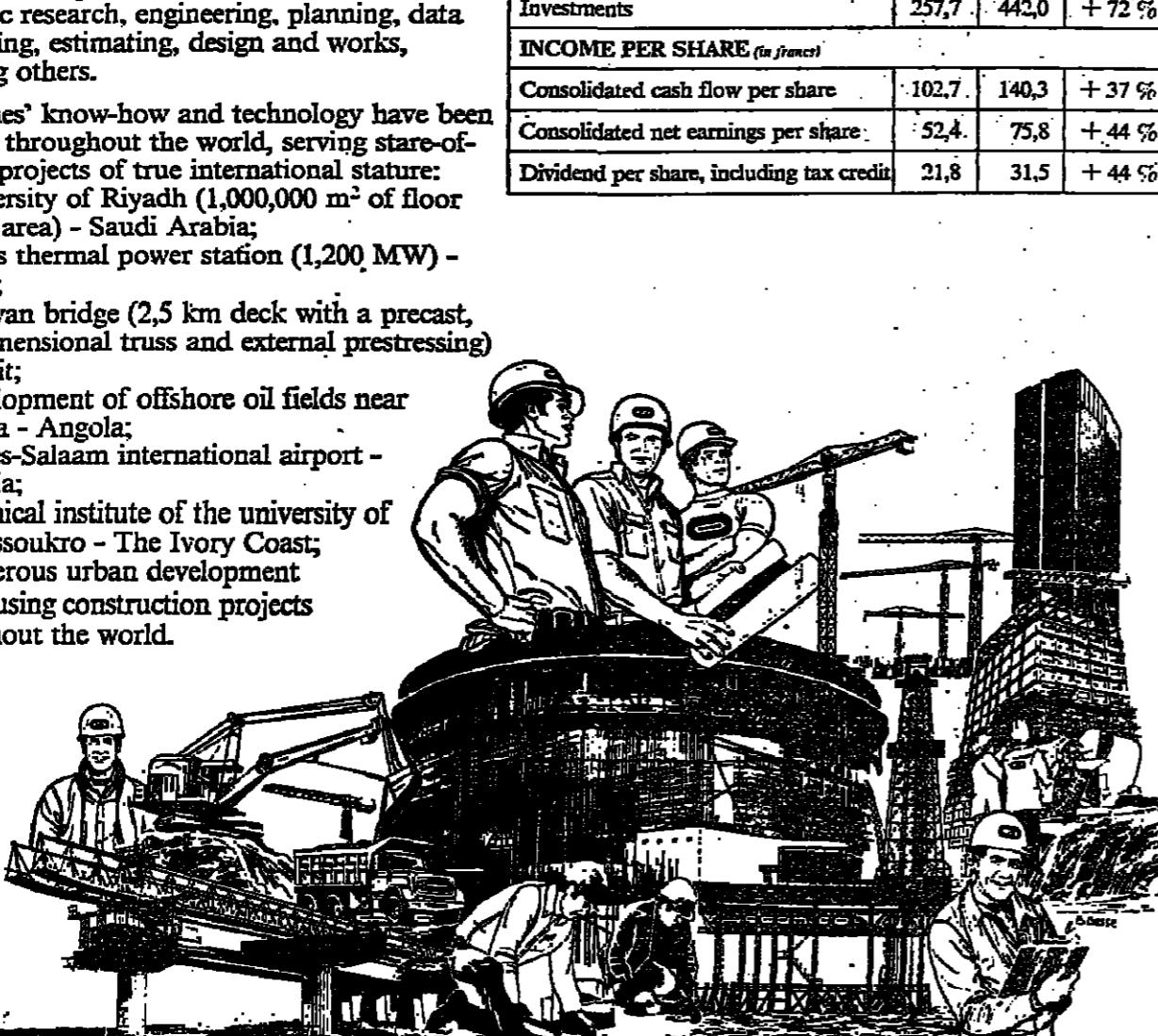
Deutsche Bank Aktiengesellschaft

Orion Royal Bank Limited

Postipankki

Salomon Brothers Inc.

S.G. Warburg & Co. Ltd.



BOUYGUES - Joint-stock company with registered capital of 288,400,000 FF
381 avenue du Général de Gaulle - 92142 Clamart cedex FRANCE Tel: (33-1) 630-23-11 - Telex: 250 637 F

WHEN WE DESIGNED THE VOLVO CAR SEAT WE STARTED WITH THE BARE BONES.

Or to be more exact, the 5 lumbar vertebrae.

It's in this region, the small of the back, that 50 miles can begin to feel like 500 miles if you're sitting in an ordinary car seat.

So, as the driver of a big Volvo clocks up 5000 miles a year more than the average driver, we've gone to great lengths to ensure our seat is anything but ordinary.

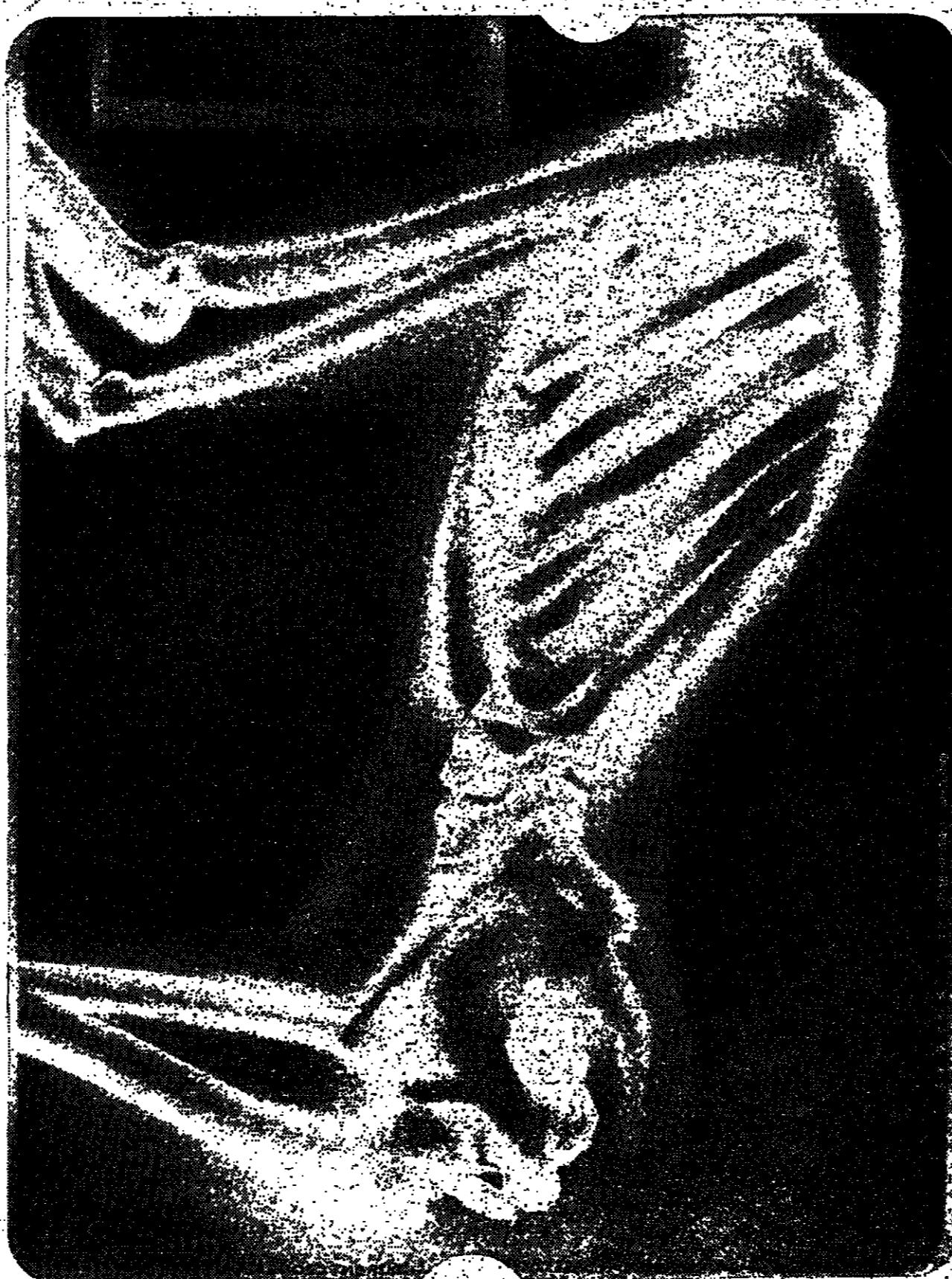
Before we called in the designers, for instance, we called in orthopaedic specialists.

They advised us on the right kind of support needed to prevent backache. And how to make a long drive down the motorway feel as comfortable as a drive around the block.

The result made a lot of other car manufacturers sit up.

The Volvo car seat has a unique lumbar support that can be adjusted by the turn of a knob to cradle the small of your back. Either softly or firmly.

There is no limit to the number of ways the



seat squab can be inclined.

And the back goes back to almost horizontal.

It goes far enough forward to suit short drivers. (And naturally, it also goes far enough back to accommodate tall ones.)

And when the temperature outside falls below 14°C, it even goes from cold to hot.

(Well, Volvos are built to survive the bitter winters of Scandinavia.)

Of course, we wouldn't expect you to choose a Volvo on the quality of the seat alone.

There's much more to see, a lot more to tell.

And your local Volvo dealer will be more than happy to give you the full story.

Once you're sitting comfortably, **VOLVO**

Please send me information about Volvo.

To: Volvo Customer Services, Lancaster Rd.,
Cressex Estate, High Wycombe, Bucks. HP12 3PN.

Name

Address

Post Code

OVERSEAS NEWS

Little ebb in deep tide of U.S. affection for Israel

BY ANATOLE KALETSKY IN WASHINGTON

IF THE U.S. is annoyed with Israel, it is only in the manner of an over-indulgent parent worrying about the tantrums of a spoilt child. U.S.-Israel relations may be at their lowest ebb for 25 years, as Senator Charles Percy, the chairman of the Senate Foreign Relations Committee, said recently, but even today U.S. affection for Israel runs deep.

This does not mean the U.S. approves completely of Israel's behaviour in Lebanon. Mr Alexander Haig, Israel's staunchest friend in the Reagan Administration, lost his job in part because he disagreed with the White House about the style and degree of U.S. support.

Israeli lobbyists confess to being alarmed by the public concern about Israeli violence shown every night on the U.S. network's television screens.

Mr Menahem Begin, Israel's Prime Minister, has undoubtedly managed personally to alienate powerful figures in Congress. During his lunch with the Senate Foreign Relations Committee last month he appar-

ently displayed a degree of arrogance and chutzpah which shocked even the Senators from cowboy states with robust standards of verbal repartee.

Mr Moshe Arens, the Israeli ambassador to Washington, gave the public at large a taste of the same treatment last weekend in his response to questions about the use of cluster bombs against civilians. He boldly asserted that Israel had made efforts "unprecedented in the annals of the history of warfare" to protect civilians from harm in its campaign against the PLO.

Yet, despite all the verbal and moral provocations, neither the Government nor the people of the U.S. appear to have shifted enough to make any practical difference to their basic loyalty to Israel.

As a senior member of the Congressional Foreign Relations staff put it: "As Israel's objectives kept expanding the mood in Congress became angrier. There is now a lot of frustration with Begin and Sharon (the Israeli Defence Minister) in order to remind his colleagues

personally. But there is no change in the underlying support for Israel. I doubt if you will see us changing our votes on aid or arms sales. And there is no real movement on the PLO question. A few Congressmen have always been in favour of making contact with them and they are the same guys that are still in favour now."

The opinion polls convey the same message. Despite an unusually low number of letters to the State Department supporting Israel (the ratio of letters in favour of Israel's invasion to those against has been been only six to four), the polls suggest that the public's basic support of Israel and its bombing for the PLO are both as strong as ever.

To a large extent the U.S. public probably takes its lead from the politicians. Indeed the polls which have asked for judgments specifically on the invasion have borne this out. For example, 50 per cent of the U.S. apparently believe that Israel was wrong to invade

Lebanon in the first place, compared with 24 per cent who approved of its action. But now that the invasion has taken place a plurality of 48 to 31 per cent believe that the Israelis should stay in Lebanon until the PLO and Syria leave.

This reflects the Reagan Administration's own ambivalence precisely. Nobody in the Administration, not even Mr Haig, was particularly happy when Israeli troops went into Lebanon. But practically everybody now believes that the Israeli occupation has created new "opportunities" which must not be sacrificed by prematurely pressing Israel to withdraw.

This is a consensus view in the Administration which even Mr Caspar Weinberger, the Defence Secretary, the one strong sympathiser with the Arab cause, has never openly challenged. He has confined himself to quoting repeatedly the example of the Falklands in order to remind his colleagues

that the Administration is in internal use of force to change the status quo ante.

President Reagan and Mr William Clark, his increasingly powerful national security adviser, have paid no attention.

According to officials familiar with their views, the President and Mr Clark have drawn other lessons from the Lebanon crisis. It has confirmed their view that Israel is the only ally in the Middle East strong enough, both militarily and politically, for the U.S. to rely on ("The most effective rapid deployment force the U.S. could possibly hope for" is how one policy expert described it.)

In addition, Israel's spectacular military success in demonstrating superiority of U.S. over Soviet-made armaments and the destruction of the PLO has provided a unique opportunity for the U.S. to eliminate Soviet influence in the region and establish itself as a peacemaker.

The Administration's Arabists, like Mr Weinberger and

perhaps Mr George Shultz, the Secretary of State designate, would prefer to emphasise the last of these lessons. Another hopeful sign for U.S. peace making efforts is that the U.S. public is more aware than ever before of the Palestinians' need for a homeland.

Yet it takes a huge, and at present unwarranted, jump from these premises to the conclusion that the Administration is drawing nearer to the PLO or preparing to recognise it (at least in anything like its present form) as a legitimate representative of the Palestinians.

Administration officials have vehemently denied reports that President Reagan may talk directly to the PLO if Mr Begin continues to obstruct efforts to relieve the siege of Beirut. Their denials ring true because they also blame the Arab states, not Mr Begin, for blocking a peace formula by refusing to accept the 6,000 PLO fighters the Israelis want moved from west Beirut.

"The brutal cynicism with

Gulf war poses fresh questions in Lebanon

By James Buchan in Beirut

ISRAELI aircraft flew over Beirut yesterday morning, as if to remind the inhabitants of the city, and particularly the Palestine Liberation Organisation and its armed wings, that it retains military options that include bombing from the air despite the three-day ceasefire.

But the Israeli action, harmless as it seemed, was quite overshadowed by the news that Iranian forces had crossed into Iraq.

The same fate befell the good impression left on the West Beirut Lebanese and Palestinians by Mr George Shultz, who, in confirmation hearings on Tuesday before adoption as U.S. Secretary of State, spoke of possible U.S. dealings with a reformed PLO, and hinted at a more "even-handed" approach by Arab commentators call it.

The Iranian action, whatever its effect on the balance of power in the eastern Arab world, could have profound implications for the Palestinians, Lebanon and the siege of Beirut.

While negotiations over the future of West Beirut and its Palestinian presence seemed to be making next to no progress, the city hummed with discussion of what Iranian success would mean for its own future. From this amalgam of analysis, fear and hope, there are three basic contentions:

• Iranian successes around Basra are likely to cause deep anxiety in Saudi Arabia and in the Arab Gulf states, which will be communicated to Washington.

Thus Saudi diplomacy, which has traditionally not been able to concentrate on a variety of topics, will be deflected from the Lebanon situation. This could well also be reflected in Washington.

• Iranian success will be reflected in a boost for the Shia Muslim community in Lebanon. The Shia militia, Amal, will also profit both within the West Beirut military structure now and also in the situation which develops once the immediate question of Beirut is settled.

• Iranian success will also strengthen the position of Syria, which has just entered the diplomatic scene on the Beirut and Palestinian questions, and whose Foreign Minister, Mr. Abd al-Basset Khaddam, is due to hold talks with officials in Washington today.

Syria has been a persistent ally of revolutionary Iran, while Iranian troops have been despatched to Syria apparently for deployment against Israel in Lebanon.

Some people argue that the Iranian entry into Iraq makes settlement of the West Beirut siege imperative. One Palestinian voiced the anxiety that Israel, suspecting Washington is otherwise occupied, might settle the question with a quick, hard blow.

At the very least, the ramshackle structure of negotiation, so painstakingly built up by men like Mr Philip Habib, the special U.S. envoy, who have succeeded in the past in ending bombardments or easing the Israeli blockade, could collapse in the hot wind from the east.

Right-wing party may join Begin government

By David Lennsen in Tel Aviv

THE EXTREME right-wing Tehiya party is planning to join the coalition government of Mr Menahem Begin, the Prime Minister, which currently controls only a very slim majority in the Knesset.

If Tehiya's three Knesset members are accepted into the coalition, Mr Begin will command a comfortable 64 out of the 120 seats in parliament.

Since the war in Lebanon began, pressure has been mounting within the Tehiya (Renaissance) party to join the coalition. This stemmed from rising concern over the growing and vocal opposition by various groups within Israel to the invasion of Lebanon.

The party leaders are former loyalists of Mr Begin's Herut party who deserted him when he agreed to evacuate the Sinai peninsula in exchange for a peace treaty with Egypt. Mr Begin is apparently willing to offer a cabinet portfolio to the Tehiya leader, Professor Yuval Neeman.

The Government suffered a major blow just before the war when two members of the ruling Likud block quit to join the opposition Labour Party.

However, in the past two weeks two members of the defunct Tzomet party, originally founded by the late Mr Moshe Dayan, joined the coalition, restoring its slim majority in the Knesset.

If the negotiations with Tehiya succeed, the prospects of early elections, which had been spoken about prior to the war, will fade. It would then be increasingly likely that Mr Begin would serve the full four years of his second term in office, which began after last June's general election.

One key condition for convincing Tehiya to join the coalition would be a willingness on the part of the Government to commit itself to expanding Jewish settlements on the occupied West Bank and Gaza Strip.

An Iranian invasion of Iraq could have serious consequences for Western traders: FT writers report

JAPAN

Fears for construction contracts as oil disruption hits trade

BY RICHARD C. HANSON IN TOKYO

JAPAN is taking a cautious view of the worsening situation in the Gulf, not least because Iraq is the chief source of construction contracts for Japanese companies in the Middle East.

Contracts last year were down from a 1979 peak of Y23.62bn to Y21.1bn (53.86m-22.75m) but this still represents more than half of the Y21.8bn in contracts it received from the Middle East. New contracts this year will fall dramatically as a result of Iraq's troubles.

The situation is being complicated by Iraqi requests to draw down funds from the nearly Y600bn in official aid which Japan pledged to make available in the mid-1970s. Iraq showed little interest in using these funds until last year, when

its own finances were being squeezed by the war.

According to the Ministry of International Trade and Industry (Mit), only about Y140bn has been disbursed for various projects.

Mit, however, for the moment is reluctant to agree to further disbursements as a result of recent developments in the war.

Last year Iraq ran a heavy deficit in its two-way with Japan because of a halt to oil shipments from January to April. Japan's imports from Iraq plunged to \$1.01bn (55.86m) or less than one-third the 1980 total. Japanese exports to that country jumped 46 per cent to \$3.2bn.

A large portion of the oil that Iraq contracted to sell to Japan

is being provided by Saudi Arabia. The shift began in April after Syria closed an Iraqi pipeline running through its territory.

Japanese imports from Iraq last month were about half the May total (857m versus \$161m) as a result of the disruption of oil shipments.

Of the 100,000 barrels per day Iraq is to supply under a long standing contract, only 25,000 b/d is still flowing through a pipeline across Turkey.

Saudi Arabia has agreed to supply an additional 35,000 b/d to several Japanese companies to make up for the shortfall. Syria closed its leg of the Iraq pipe on April 9.

UNITED KINGDOM

Baghdad import policy hits sales

BY PAUL CHEESERIGHT, WORLD TRADE EDITOR

BRITISH exports to Iraq have fallen 10% in recent months. The surge evident last year and into the first quarter of 1982 has been checked by changes in Iraqi import policy to take into account domestic inflation and the financial constraints caused by the war with Iran.

Resumption of the growth was not expected until next year at the earliest and that assumes there is no fundamentalist revolution in Iraq. Major project orders this year are virtually ruled out and had been ruled out even before Iranian troops crossed the border.

But the UK was a relative latecomer to the major project contracts in Iraq. This has meant that its stake in the country is largely in liquid form.

UK plant assets are largely confined to the equipment needed by John Laing International and Keir International which are engaged on road con-

tracts worth £65m and £117m respectively.

This would tend to suggest that the Export Credits Guarantee Department, in the event of the closure of the market because of the war, would be able to keep the level of claims down to manageable proportions.

Most British business has been done on cash or letter of credit terms, reflecting the basic wealth of the market. It has only been recently that Iraq has appeared interested in credit, and that only for major projects.

Latterly, however, the amount of new business passing through the ECGD appears to have tapered off sharply. Probably this began in the second quarter.

During the first three months of the year, UK exports were worth £161.6m, following a doubling of sales in 1981, when

exports are estimated to have been worth £65m. Sales were concentrated in the machinery, chemicals, vehicle, telecommunications, medical and pharmaceutical sectors.

By contrast, Iraqi sales in the UK had dwindled to £1m in the first quarter of this year.

Although British businessmen are officially being advised to avoid Basra at the moment, they are not being discouraged from going to Baghdad.

It is noted that one of the reasons for the surge in exports last year was the fact that British business did not desert the market at the start of the war with Iran.

In fact, there are no signs of diminished interest. Last autumn 120 companies exhibited at the Baghdad international fair, Iraq's trading window to the world. This year there are applications from 170.

ITALY

Threat to booming exports

BY JAMES BAXTON IN ROME

THE POSSIBLE collapse of the Iraqi market, as the consequence of the war with Iran, would be a bad blow for Italy. Despite a decline in the number of new orders in the past year, Italy has important contracts with Iraq, and last year nearly doubled its exports there.

Italian exports to Iraq rose from £51.4bn (£240m) in 1980 to £1.537bn (£640m) last year. In the period Iraqi exports to Italy remained static at £2.460bn, made up almost entirely by oil sales.

French companies active in Iraq—particularly on heavy industrial and infrastructure projects—have plenty of experience of dealing with disturbances in the region.

Many large corporations took steps to bring back personnel working in the country when hostilities between Tehran and Baghdad broke out 22 months ago.

Recently, however, there have been signs of business returning to normal. M Michel Jobert, France's Minister of External Trade, underlined his country's willingness to develop trade with Iraq during a visit to Baghdad last autumn.

His Iraqi counterparts used the occasion to express interest in acquiring French technology

FRANCE

Co-operation likely to be affected

BY DAVID MARSH IN PARIS

FRANCE looks likely to be one of the Western countries most seriously affected by any period of political and economic disruption in Iraq following the invasion by Iran.

A string of French companies have built up substantial export contracts with Baghdad, which is now France's fifth biggest trade customer outside Europe and the U.S.

French companies active in Iraq—particularly on heavy industrial and infrastructure projects—have plenty of experience of dealing with disturbances in the region.

Many large corporations took steps to bring back personnel working in the country when hostilities between Tehran and Baghdad broke out 22 months ago.

Recently, however, there have been signs of business returning to normal. M Michel Jobert, France's Minister of External Trade, underlined his country's willingness to develop trade with Iraq during a visit to Baghdad last autumn.

His Iraqi counterparts used the occasion to express interest in acquiring French technology

BY ELGIN SCHROEDER IN BONN

IRAQ EMERGED last year as West Germany's most important market in the Arab world as exports doubled over 1980 to DM 6.5bn (£1.4bn). Orders won by the construction industry alone came to DM 5bn, making Iraq its most important foreign market.

Among the biggest Iraqi projects in which West German companies have been involved since 1980 are the Mosul hydroelectric dam and Basra Airport as well as long stretches of motorway, cement works, hospitals and trade schools.

More than 120 West German companies maintain offices in Iraq, testifying to a firm commitment despite the war. But total private investment came only to DM 3.3m at the end of 1981.

The bulk of West German exports are cars, engines, electrical goods, chemicals, iron and hardware. In the first quarter of this year sales were valued at DM 2.1bn, double that of the 1981 first quarter. This level of sales is thought to safeguard 35,000 jobs in West Germany.

WEST GERMANY

Companies are firmly committed despite war

BY JOHN WYLES IN BRUSSELS

THE EUROPEAN COMMUNITY yesterday adopted a formal protest over attempts to block contracts which have been signed months or even years ago.

Such retrospective action, says the EEC complaint, "puts in jeopardy the basic principles of the world trading system" which is likely to have a lasting effect on business relationships between European and U.S. companies.

Although companies in only four member states—the U.S., West Germany, France and Italy—are affected by the U.S. clampdown, they have each decided to mobilise the full political weight of the EEC behind their protests.

As a result, the issue has joined steel and agriculture as a source of serious friction with the U.S., which is putting immense strain on trans-Atlantic relations.

The risk that these abrasions could eventually affect broader alliance relations lies behind the "stability and cohesion" warning delivered to Washington last night.

But European outrage at President Reagan's embargo is fully reflected by the unusually stiff language calling for a withdrawal of the measures and protesting at the attempt

to apply U.S. laws to European companies and to notify supply contracts which have been signed months or even years ago.

UK NEWS

Accounting rebels lose lead in ballot

By Barry Riley

THERE ARE now slightly more supporters of the accountancy profession's official approach to current cost accounting than there are accountants who back the rebel call that SSAP 16, the current cost accounting standard, should be withdrawn immediately.

The official view is that SSAP 16 should remain in force for at least another year, completing a three-year experimental period.

Figures show that 11,501 members of the English Institute of Chartered Accountants have sent postal votes in favour of the resolution proposed by Mr David Keymer and Mr Mario Haslam. A total of 11,638 votes opposing it have been received.

Yesterday's poll brought 500 votes for and 623 against, reversing the trend shown in the early days of voting. When the Keymer-Haslam resolution was attracting a small majority of the returns.

The period for postal voting closes on July 27. The resolution will be formally proposed at a special meeting at the institute's headquarters in London on Thursday, July 29.

It is understood that many members of the institute have complained about the publication of the voting figures during the ballot. There are fears that this may affect the result.

However, officials at the institute say it is normal practice. In 1978 the council of the institute ruled that voting returns in such cases should be disclosed to inquirers on a daily basis.

Wage rises in private sector slow to 9.4%

By James McDonald

SALARY AND wage increases in England in the private sector averaged 9.4 per cent in the 12 months to spring this year, according to the latest six-monthly analysis by Reward Regional Surveys.

The survey, covering 273 companies, shows that management salaries rose by an average of 9.5 per cent over the year to an average £5,580. Clerical salaries rose by 8 per cent to a national average of £4,397 and wages of operatives rose by 11 per cent to £2,247.

"These increases, well down on those recorded a year ago, confirm the current trend for most settlements to be between 7 and 9 per cent in the private sector," says the survey.

This spring's average management salary of £8,590 compares with £7,842 in spring last year and with £6,724 in the spring of 1980. The clerical average salary this year of £4,397 compares with £4,069 a year before and with £3,488 in 1980. Wages of operatives, on a per hour basis, rose from £1.92 in spring 1980 to £2.19 in 1981 and then to £2.43 in spring this year.

The report goes on: "The move towards the 38-hour week for factory workers has accelerated." More than half work less than 40 hours, compared to under a third four years ago.

The most common allowance for annual holidays is still 20 days, in addition to statutory days, but the percentage of the management sample taking 24 days is 17 per cent, compared with 4 per cent four years ago.

The percentage of clerical staff with 24 days is 18 per cent as against 3 per cent four years earlier, while 23 per cent of factory operatives have 24 days compared with 2 per cent in 1979.

In the management-technical sector, the top five increases in pay arose in the following groups: personnel manager; specialist sales manager; public relations manager; quality assurance manager; and research and development engineer.

National Analysis of Salaries and Wages, Summer 1982. Reward Regional Surveys, 1 Mill Street, Stone Staffs. £35.

Borrie defends 'flexible' approach on fair trading

By DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE OFFICE of Fair Trading's "pragmatic and flexible" approach to competition policy in the UK was defended yesterday by Sir Gordon Borrie, director general of fair trading.

Sir Gordon, writing in the OFT's annual report, rejected the criticism that the office's approach created uncertainty among companies about its policies.

He said: "The fact that in the UK the promotion of competition is weighed against broad considerations of public interest introduces an element of uncertainty into policy and tends to encourage argument and hence add uncertainty about the appropriateness of

the policy in this or that case."

Sir Gordon added: "I tried to minimise such uncertainty by making public as many of his decisions as possible, giving supporting reasons, and by discussions with the businessmen."

Also, the OFT conducted "an open-door policy to encourage firms and their advisers to consult me and my officials freely and informally during the formative stages of their thinking."

He suggested that the flexible UK approach should be seen in contrast with the more rigid systems of competition policy used in other countries. Sir Gordon described these systems as "doing little to provide clarity and certainty."

The OFT's annual report revealed that it dealt with 983 complaints about anti-competitive behaviour by companies last year, carried out five investigations under the 1980 Competition Act and scrutinised 164 mergers.

Sir Gordon made clear that the OFT has had to reassess its priorities as a result of the Government's public expenditure cuts.

"Reduced financial provision in real terms and lower staffing levels mean that certain things cease to be done, and done more slowly or, although thought desirable, not started at all," he said.

Call to scrap airports authority

By MICHAEL DONNIN, AEROSPACE CORRESPONDENT

The British Airports Authority is offering equity and American-style municipal bonds to employees, local residents, ratepayers and businesses.

"A special package of tax incentives is suggested to encourage the growth of traffic from the regional airports at Manchester, Newcastle, Birmingham or the East Midlands and Bristol (Lulsgate)."

"Finally, a Scottish airports authority, with some private-sector investment and the rest provided by the Scottish Office, is proposed to run the major lowland airports operated by the BAA and those operated by the Civil Aviation Authority in the Highlands and Islands."

Mr Colvin said yesterday that the strategy would give the Conservative Party "an alternative to the policy of state control of airports which has created increasingly difficult and insoluble problems in the last 20 years."

The Government's airports policy—"or lack of it"—led to an inefficient use of resources, with passenger capacity under pressure in the

London area and in excess everywhere else," he said.

"The British Airports Authority has an effective monopoly within our national system. The BAA has exploited its position in the London area to raise charges to the airlines and their passengers at Heathrow and Gatwick, beyond the level necessary to finance its current activities, in order to fund its long-term investment programme. This includes the costly proposals for expansion at Stansted," he went on.

"Elsewhere in Britain, at the airports in Scotland and the municipal airports in the regions, there is a substantial excess of underutilised passenger capacity."

Mr Colvin suggested that instead of expanding Stansted, a fifth terminal should be built at Heathrow and a second terminal at Gatwick to cope with passenger growth. Luton should be encouraged to grow to its full capacity, he argued.

Airports UK—A Policy for the UK's Civil Airports, Centre for Policy Studies, £2.50 net.

Photographic sales may reach £600m

By ELAINE WILLIAMS

THE UK amateur photographic market is likely to rise to nearly £600m by the end of the year, according to the industry's report published yesterday.

This compares with £565m in 1981 and £520m in 1980. Much of last year's growth was taken up by inflation, despite efforts to promote camera and film sales.

More than half the industry's income is from film processing which was worth about £210m last year. Camera equipment is no more expensive now than 20 years ago.

The photographic industry

spent nearly £14m last year to stimulate sales, particularly of films, and will step up its campaign this year. The average Briton takes only 100 photographs a year even though 70 per cent of the population have access to a camera.

UK interest in photography lags well behind that in the U.S., Japan, West Germany and other European countries. By 1980, the average American was spending \$37 a year on photography—four times that

being spent in Britain.

Hard lessons from an outer city area

By NICK GARNETT, NORTHERN CORRESPONDENT

OUTLYING city areas can have problems just as severe as those of the inner cities on which the Government has focused its special help initiatives, according to a study of social and economic privations.

These outer industrial and housing areas accommodate 5 per cent of the UK population and are particularly prevalent in the North of England, Scotland and South Wales.

The report is based on a study of Kirkby, outside Liverpool. The town, with 50,000 people, was envisaged by that city as a vehicle for solving Liverpool's housing and job problems.

Kirkby, however, now suffers from many of the symptoms of urban decline and social stress and has an unemployment level one and a half times greater than that of Liverpool itself.

The report was produced by Merseyside County Council and Knowsley Metropolitan Borough Council—which has included Kirkby since the 1974 local government reorganisation with CES, an independent research company.

It says that in the growth period of the 1950s and 1960s, families allocated to Kirkby were generally those with the greatest housing needs—with almost half the population then under 15 years old. There was a preponderance of unskilled workers and almost no white-collar residents.

Another factor in Kirkby's growth was an absence of control planning and of services and suitable housing. The report argues that although some progress to alleviate these stresses was underway by the mid-1970s,

the photographic industry

is a cycle of decline set in, which still grips the town. It says this results from three broad factors:

The first is that the population declined partly because inward migration dried up and because job-shedding and a mounting problem with housing repairs made the town unattractive to potential newcomers who might have made for a better skill balance.

Secondly, an over-dependence on manufacturing—and more narrowly, on engineering and food processing with narrow product ranges, resulted in a vulnerable local economy.

Finally, the report says that Knowsley inherited an inefficient administration which contributed to the inability to carry out sufficient house repairs.

Small screen success story

Nick Garnett reports on the rapid growth of the Microvitec electronics company.

quire and assemble at the lowest possible price, he says. At the same time, the company argues it produced a display screen unit which for the first time was capable of driving both standard and high resolution tubes—the latter allowing an increase in the number of characters per line.

The venture provides a neat example of the plethora of aid which companies like Microvitec can tap. Bradford Metropolitan council has invested almost £1m in providing the company with factory space on a rent-free and low-rent period basis.

Technical Development Capital took out £37,500 in equity and provided a loan of £12,500. Grants from the Department of Industry totalled £75,000 and an additional medium-term loan of £90,000 came from the European Investment Bank.

A few minutes later, however, Mr Anthony Martinez, the company's managing director and chairman, gave a quiet warning that such companies as Microvitec needed to protect themselves by rapid expansion and that success could not be guaranteed at any stage in a small business's life.

Microvitec's story embraces both the development of financial packages available to businessmen and women with an idea they can sell to the people who have the money, and the importance of spotting holes in the market place.

The company was set up in Bradford in July 1979 by two brothers, Anthony and John Martinez, to develop and sell screen units for use with computers as part of the growth in

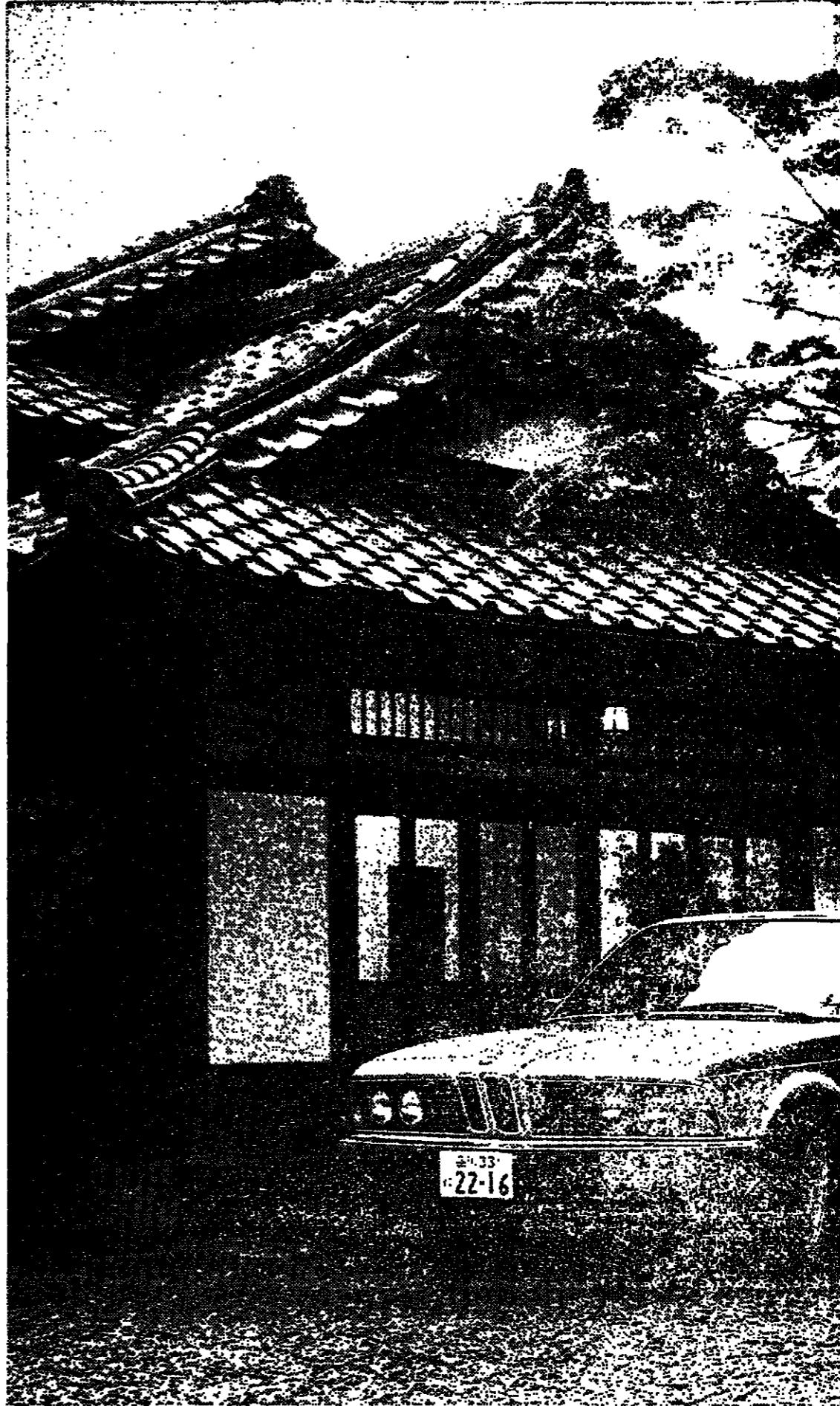
information technology. The first 18-months brought a turnover of £188,000. During the following 12 months this rocketed to £1.37m. The turnover for the first six months of this year is already more than £1m and the company has begun exporting to the Benelux countries.

The workforce has expanded from seven to just under 100 and is due to rise to 110 in the autumn.

Partly through its supplies to the Acorn computer company it will be involved in the Government's scheme to extend subsidisation for computers from senior to primary schools.

Anthony Martinez and a small group of technical experts spotted the need for a low-complexity colour display monitor where modified TV receivers or complex monitors were used.

The company's rule on products, says Mr Martinez, is designed to cost—"identify a need, cut out anything the customer does not really



1981 Report & Accounts:

the number of individualists in the world is growing.

The increasing number of mass-produced, standardised cars leads inevitably to greater uniformity on our roads.

However, this trend also creates an opposing desire for greater individuality. And this in turn improves the sales opportunities for those special marques, which fulfil this desire.

The extremely difficult past few years for the automobile industry demonstrate how manufacturers of exclusive products are less exposed to outside pressures, and can even experience a significant increase in demand.

Secondly, an over-dependence on manufacturing—and more narrowly, on engineering and food processing with narrow product ranges, resulted in a vulnerable local economy.

Finally, the report says that Knowsley inherited an inefficient administration which contributed to the inability to carry out sufficient house repairs.

In the U.S.A., and in the countries of the European Economic Community, we were among the most successful manufacturers of luxury cars.

And in 1981 we became the first western car manufacturer to establish its own wholly independent, subsidiary company in Japan.

So in the future BMW's position as one of the most unmistakable alternatives will be even further strengthened in this market.

1981 was another good year for BMW. 1981 broke all previous records for the production and sales of BMW cars. With 349,000 units, sales were up a full 3% over the previous year. Exports increased by 6%. Motorcycle sales also rose by 11% to 32,500 units. Total company turnover increased by 18% to 9.5 billion D-Marks (4.2 billion US-\$).

Prospects look promising. Future developments show every sign of following the same pattern. And BMW will continue to implement its long-term investment program to consolidate and secure the future of the company. The fact that our capital investment is significantly higher than the industry average reflects the confidence we derive from the quality of our products, our on-going development projects, and the position we have achieved in the worldwide market.

The main thrust of our investment program is concentrated on the development of new products, new production processes, and on the continuous improvement of all operations.

The theme throughout will be the consistent and comprehensive application of the most modern and advanced technologies available.

	1981	1980	Change %		1981	1980	Change %
Sales				Personnel expenditures	DM mill.	2,030.8	1,781.1 + 14.0%
BMW AG	DM mill.	7,822.1	6,898.5 + 13.4%	Balance sheet total	DM mill.	3,953.0	3,595.7 + 9.9%
BMW Group	DM mill.	9,545.0	8,115.5 + 17.6%	Common stock	DM mill.	500.0	500.0
Output				Net worth	DM mill.	1,201.3	1,146.3 + 4.8%
Cars	units	351,545	341,031 + 3.1%	Fixed assets	DM mill.	2,254.3	1,975.6 + 14.0%
Motorcycles	units	33,120	29,260 + 13.2%	Investment in tangible fixed assets	DM mill.	815.6	738.9 + 10.4%
Cars sales				Depreciation of tangible fixed assets	DM mill.	473.1	330.1 + 43.3%
Domestic	units	138,399	140,772 - 1.7%	Net income	DM mill.	145.0	160.0
Foreign	units	210,547	198,460 + 6.1%	Dividend	DM mill.	90.0	100.0
Total	units	348,946	339,232 + 2.9%	per share of DM 50 nominal value	DM	9.0	10.0
Motorcycle sales				%	18	20	
Domestic	units	10,963	9,933 + 10.4%				
Foreign	units	21,489	19,330 + 11.2%				
Total	units	32,452	28,263 + 10.9%				
Personnel							

UK NEWS

12 ships damaged or sunk in Falklands

By Bridget Bloom, Defence Correspondent

TWELVE warships were sunk or damaged by bombing, strafing or missile attack in the Falklands campaign according to new figures from the Ministry of Defence.

The ministry has named six damaged warships in addition to the four sunk. But while it gives the cause of the damage in each case, it details neither the extent, nor the likely cost of repairs.

Two damaged ships remain unnamed since they are still on deployment in the South Atlantic. Of the eight damaged, apparently only one—HMS Glamorgan, a County Class destroyer—was hit by an Exocet missile, which failed to explode.

HMS Glasgow, a Type 42 destroyer was holed by a bomb. The Leander class frigate HMS Argonaut, which is fitted with Exocet missiles, was damaged by two unexploded bombs and strafing.

HMS Arrow, a Type 21 frigate, was damaged by shrapnel and cannon shells. HMS Plymouth, a Type 21 frigate by bombs and strafing and HMS Brilliant, one of the Navy's most modern Type 22 frigates—which returned to the UK at the weekend—was damaged by strafing.

Three of the four ships were sunk as a result of bomb attacks from Argentine aircraft, while HMS Sheffield sank after being hit by an air launched Exocet missile.

Mr Peter Blaker, gave the information in a written reply to a question from Labour Defence spokesman Mr Kevin McNamara. He noted that until the damage had been properly assessed and a detailed work package drawn up, it would not be possible to provide estimates of the cost of repairs or the time it would take to have the vessel back in service.

In evidence before the Defence Select Committee last month Mr John Nott, the Defence Secretary, said 12 warships, in addition to the four sunk, had been damaged.

He also said that 23 warships had been involved in the Falklands campaign.

Mr Blaker said Invincible, the aircraft carrier which the Government has decided will not be sold to Australia, costs up to £25m a year to run. Mr Nott is expected to make a statement on Invincible in the Navy Debate in the Commons next week.

New hearing ordered after \$55,000 error

By Raymond Hughes, Law Courts Correspondent

AN ERROR by lawyers acting for a Greek shipowning company resulted in an arbitration award in the company's favour being reduced by \$55,000 (£31,792), a Commercial Court judge said yesterday.

Mr Justice Parker set the award aside and ordered the case to be reconsidered by the arbitrator.

In March last year Antigoni Compania Naviera, of Piraeus, chartered a vessel to Mineralimportexport, a Romanian state trading organisation. A dispute over payments due under the charterparty went to arbitration, when Antigoni claimed \$280,643.

By mistake, Antigoni's solicitors told the arbitrator that \$55,623 which had been paid by Mineralimportexport was to be deducted from the claim. That sum had already been taken into account in computing the claim, however.

The result was that the arbitrator awarded Antigoni only \$225,020.

The judge said it was clear the arbitrator had intended to award the full claim to Antigoni.

Mineralimportexport was not represented.

MITI presses Nissan on UK plant

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

NISSAN OF JAPAN is under psychological pressure from the Japanese Government to build a car plant in Britain. Mr Kazuo Takase, director of the automobile division of the Ministry of International Trade and Industry (MITI), said in Tokyo yesterday it would be "very regrettable" if the project did not go ahead.

Nissan's board is split over the project. Mr Masataka Okuma, executive vice-president, is travelling to London later this month for what will probably be final negotiations with the UK Government.

Negotiations have been deadlocked over the proportion of European components the 200,000-cars-a-year plant should use, and Government grants Nissan might expect from the UK.

Mr Takase said there had been no formal expression of regret by MITI because Nissan

had denied reports that the project had been shelved.

"We hope discussions will continue and Nissan will go ahead."

He said the Nissan top management was well aware of the interest the Japanese Government was taking in the project.

From MITI's point of view, direct investment overseas and in particular, joint ventures and co-operative deals between Japanese and Western motor companies, would ease friction over trade.

The senior managements of the companies realised the need to get more involved in co-operative ventures in overseas concerns or the trade friction will never go away. Not only would it not disappear, it would get worse," Mr Takase said.

MITI believed that Japanese penetration of most overseas car markets by direct exports had gone about as far as was pos-

sible without creating more of the problems associated with protectionism, he said.

However, the Japanese motor industry was becoming increasingly strong in terms of the advanced production methods and vehicles it had to offer, and if there was free access it would take an even bigger share of world car markets.

"Because of this we feel industrial co-operation between the motor companies is needed. But that means companies from outside Japan must make an effort too. From Japan's standpoint, co-operation is necessary to alleviate the trade problem. For other countries, it is necessary if they are to maintain viable and progressive motor industries," Mr Takase said.

The figures for component exports had been boosted recently by the growing number of countries which would not allow many assembled cars onto their markets but insisted on local assembly from component kits.

But Mr Takase insisted the Japanese industry's investment programme was aimed at rationalising the existing production, at cost reduction and at improving working conditions—not at increasing capacity. The companies were well aware that in the current world motor industry environment, they could not expect to continue to push up exports at the previous rate.

Mr Takase said there was no policy on the part of either the Japanese Government or the motor industry to step up exports of motor components in order to compensate for the lack of growth in assembled car shipments.

The figures for component exports had been boosted recently by the growing number of countries which would not allow many assembled cars onto their markets but insisted on local assembly from component kits.

Pay rises outpace inflation rate

BY ROBIN PAULEY

LIVING STANDARDS, after declining for more than a year up to April, are improving slightly despite of a continuing downward trend in the level of pay settlements.

Average earnings rose by 10.3 per cent between May 1981 and May 1982—slightly more than the 10.2 per cent rise for the year to April. In both months, however, the rise was above the inflation rate, as indicated by either the retail price index or the tax and price index movements. Pay was, before April last, ahead of inflation in March 1981.

Figures published by the Employment Department yesterday show that the underlying trend of pay settlements is still downwards, not including back-pay and slightly over 9 per cent if overtime is also excluded.

The trend for pay settlements has been downwards all year with the underlying increase

falling from 11 per cent in January to 10.75 in February, 10.5 in March, 10.25 in April and 10 per cent in May. The annual rate of increase is now at its lowest level since January 1978 and is likely to fall still further as more single-figure pay settlements come through in the current round.

About half the 2.0m British workforce has now reached a pay settlement for this year. The downward trend in pay was confirmed by the Confederation of British Industry, which said yesterday that settlements in manufacturing industry notified in May and June had averaged 6.8 per cent compared with a 6.9 per cent average for the first four months of the year. More than 88 per cent of manufacturing settlements monitored by the CBI were between four and 10 per cent.

The financial sector was replied: "None."

Further North Sea contract goes abroad

BY RAY DAFTER

THE UK offshore supply industry—badly in need of new contracts—has lost another important order to an overseas competitor.

Phillips Petroleum, the U.S.-based operator of the Maureen Field in the North Sea, has awarded work believed to be in excess of £10m to C. G. Doris of Scotland.

The order coincides with the placing of a £4.5m Suez Oil contract by British National Oil Corporation for work on the Beatrice Field in the North Sea. The BNOC contract has angered Ministers and officials of the Energy Department.

Phillips said it chose Doris after competitive bids. Most of the work would be carried out in the UK by a Doris affiliate, Howard Doris of Loch Kishorn, in the North-West Highlands of Scotland.

Doris has been commissioned to tow the Maureen production platform's substructure from Ayrshire Marine Constructors' dry dock at Hunterston to Loch Kishorn; ballast the platform; move the deck, built by Howard Doris, with the substructure; tow the complete platform to the Maureen field on block 16/29, 170 miles north-east of Aberdeen; and instal the plat-

form above a steel drilling flume already positioned on the seabed.

The field, costing more than \$1bn (£575m), is due onstream by early 1984. Industry estimates suggest that the field's 170m barrels of recoverable oil will yield up to 70,000 barrels a day.

Meanwhile, BACI yesterday announced it had ordered accommodation units and a helicopter deck from Gotaverken Arendal of Sweden. Mr Hamish Gray, Minister of State for Energy, is said to be "extremely upset and unhappy" at the decision.

Abbey said it had suffered a loss in its competitive edge during the past 12 months.

The society says that from next month the society will not be seeking to raise any new funds from its open-bond share schemes presently available on terms from one to five years. It also announced plans to raise up to £60m a year through the issue of Negotiable Corporate Bonds to companies and financial institutions.

A first issue carrying an interest rate of 18 per cent and raising £5m was placed last week. The issue was handled by Phillips & Drew and Manchester Exchange Trust.

Mr Hartwell urged resorts to use the new tourism project grants to "revive and modernise." All-weather, all-year facilities should "counteract the single overseas attraction—the sun."

Sky-high petrol prices, he said, were a deterrent, particularly in isolated areas which needed tourists to bolster the local economy.

High quality gold hallmarking increases

BY JAMES MCDONALD

HALLMARKING of high purity gold articles increased sharply in the second quarter of this year. The 22 carat gold articles are mostly made for the Asian community in Britain.

These suggestions were offered by Mr Eric Hartwell, a Trusthouse Forte director, in his role as chairman of the British Hotels, Restaurants and Caterers' Association at its

annual meeting in London yesterday.

Mr Hartwell, vice-chairman and joint chief of THF, was speaking after announcement of Government review of tourist management.

"What a pity that we had to wait for the country's tourism account to plunge into a £286m deficit before Government action was forthcoming," said Mr Hartwell.

He suggested that £50m a year in foreign currency could be earned by 1984 with a more positive attitude toward tourism by the Government.

He suggested that £50m a year in foreign currency could be earned by 1984 with a more positive attitude toward tourism by the Government.

These suggestions were offered by Mr Eric Hartwell, a Trusthouse Forte director, in his role as chairman of the British Hotels, Restaurants and Caterers' Association at its

annual meeting in London yesterday.

The Joint Committee of the Assay Offices of Great Britain also reports modest gains over the year of 6.4 per cent and 2.8 per cent respectively in the weights of 18 carat and 9 carat gold articles sent for

hallmarking.

There was a 22.8 per cent drop in the weight of hallmarking 14 carat gold articles.

The total weight of all gold

articles sent for assay during the quarter was 7.8 per cent more than a year before at 9,368 kilograms, while the number of gold articles assayed was 20.2 per cent higher at 4,16m.

Base Rate

BANK OF CREDIT AND COMMERCE
INTERNATIONAL SOCIETE ANONYME
LICENSED DEPOSIT TAKER

announces that from
15th July 1982 its base rate
is changed

from 12½% to 12% p.a.

100 Leadenhall Street London ECGA 3AD

United Glass sheds 500 jobs as bottle demand slumps

BY MAURICE SAMUELSON

BRITAIN'S bottle making industry suffered a further blow yesterday when United Glass Containers, the island's leader announced nearly 500 redundancies at plants in London and Glasgow.

One of the two furnaces at the Shettleston, Glasgow, plant is being closed and the work force of 384 will be cut by 190.

The New Cross plant in London will close with the loss of 290 jobs.

This means that in the past two years Britain's biggest bottlemaker has reduced its plants from eight to five and cut its workforce from 10,500 to 4,000.

According to European manufacturers, the Japanese plan to raise capacity from 9.16m to 11.27m vehicles a year between 1980 and 1983.

Mr Takase said there was no policy on the part of either the Japanese Government or the motor industry to step up exports of motor components in order to compensate for the lack of growth in assembled car shipments.

The figures for component exports had been boosted recently by the growing number of countries which would not allow many assembled cars onto their markets but insisted on local assembly from component kits.

Stocktaking time on the Isle of Man

THE COLLAPSE of the rescue attempt for the £48.6m Savings and Investment Bank, the biggest independent bank in the Isle of Man, is a serious setback for the island's ambitions to become a significant offshore financial centre. It also underlines the need for a major overhaul of its fledgling supervisory system.

Banking is one of the few growth areas in the Isle of Man economy. Three to four new banks have been opening offices every year and the island's 48 banks have doubled their deposits in the last two to three years, to more than £1bn.

The company's difficulties were reflected in its half yearly results in February which showed a £6.3m overall loss.

• BICC is to close its scrap metal business, operated by Brookside Metal, with the loss of 110 jobs in Watford and 30 in Linlithgow, near Edinburgh. A spokesman said the closures would take place by the end of the year and were the result of continued low demand from the metal industries for non-ferrous scrap. Brookside Metal is a subsidiary of BICC Cables.

However, the closure last year of the International Finance and Trust Corporation, and now of the Savings and Investment Bank, has presented a major financial problem.

Unlike the Bank of England, in the secondary banking crisis of the mid-1970s, Manx financial officials cannot rely on the big UK clearing banks to come to their aid with another banking lifeboat.

Most banks on the island are subsidiaries or branches of either the UK clearing banks, merchant banks and other relatively well-known financial institutions. However, several

institutions are carrying on banking business on the island which would not be categorised as recognised banks under the UK's 1978 Banking Act.

While there is nothing to suggest that these institutions are not managed well, bankers generally accept that until recently at least, it has been far easier to obtain a full banking licence on the Isle of Man than elsewhere, and that bank supervision has been more lax than in more established financial centres.

The Isle of Man's banking rules were tightened up in December.

Manx officials visited the Bank of England yesterday to ask for technical assistance on the general structure of banking supervision in the Isle of Man.

The Isle of Man has always jealously guarded its independence, particularly in the area of its financial affairs. However, there is a danger now that this could backfire nastily if the problems of the Savings and Investment Bank led to a general crisis of confidence among depositors in the island's smaller banks.

Other offshore centres have been able to avoid crises such as is being experienced by the island, which does not have its own bank inspector, because they have insisted that only the most prestigious banks in the world can do banking business in their territory.

The Isle of Man is not in such a fortunate position—as the events surrounding the demise of the Savings and Investment Bank demonstrate. Details surrounding the bank's problems are complex, but two points emerge:

First, the authorities appear to have been unable to stem a run on the bank following the announcement that Mr James Raper's private investment vehicle, Gaco Investments, was suing the bank.

In addition, if the reported figures are to be believed, the Savings and Investment Bank was prepared to lend the equivalent of its shareholders' funds to one borrower.

The behaviour of the Savings and Investment Bank, and the failure of the authorities to prevent its demise, are unlikely to instil confidence in offshore depositors contemplating placing their money in the smaller Manx institutions.

Margaret van Hattem examines the political barriers affecting confidence in Northern Ireland

Complex task for Prior to attract U.S. investment

NEXT MONDAY, Mr James Prior, the Northern Ireland Secretary, will visit the U.S. in an attempt to rekindle business interest in Northern Ireland.

Mr Prior clearly hopes that his last stages in parliament, and plans for October elections in Ulster, will persuade potential investors that political stability is in sight and that their investment will help to underwrite it

UK NEWS = PARLIAMENT and POLITICS

Railways' future very dark, Howell says

BY IAN OWEN

AN EARLY DECISION to call off the train drivers' strike must be taken by Aslef if it wants to avert the closure of the railway system next week. Mr David Howell, the Transport Secretary, declared in the Commons yesterday.

He said: "The path ahead for the railways of this country is now very dark. Vast resources are being bled away. Thousands of jobs could disappear for good."

"Travellers and holidaymakers are being caused much bitter misery and suffering."

Mr Howell's firm endorsement of the Aslef tough stand taken by the BR board against Aslef coupled with renewed attacks on Mr Michael Foot, the opposition leader, for his "bizarre" speech at the Durham miners' gala giving support to the unions, was loudly cheered by Government supporters.

Some Tory backbenchers pointed accusing fingers at Mr Foot and his colleagues and dubbed them "guilty men" when Mr Howell contended: "Those who called this unnecessary strike, as well as those who have given comfort and succour to the strike, carry an immense and direct responsibility for all this damage and all this suffering."

Mr Leslie Spriggs (Labour St Helens), who is sponsored by the National Union of Railwaysmen, which has accepted flexible rostering, added to the discomfiture of the opposition front bench by asserting that many Labour MPs attacking the new working hours introduced by the BR board did not know what they were talking about.

As a railwayman of many years standing he believed that the new rosters would be "a real service" to every railwayman.

Mr Howell commented: "I hope very much that the practical wisdom of Mr Spriggs, based on hard and real experience, will be listened to very closely by his more theoretical colleagues who seem all too eager to plunge the industry into grave dangers for no good reason at all."

Mr Albert Booth, Labour's shadow Employment Minister, again condemned Mr Howell's failure to take any initiative designed to end the dispute and challenged him to say whether there was anything in the proposals made by Aslef to the Advisory Conciliation and Arbitration Service on Tuesday night which justified their rejection by the BR board.

He contrasted the efforts made by Mr Foot to secure a settlement through his meetings with Sir Peter Parker, the BR chairman, and Mr Ray Buckton, the Aslef general secretary, with the Minister's "abrogation" of his responsibility to try to get the railways running again.

Mr Howell regretted that the last-minute efforts of Aslef had not met with success but claimed that it was clear that Aslef's offer would do no more than fudge and delay an issue which had already been fudged and delayed for a long time.

Such a course, he said, would not be in the interests of the



Albert Booth: challenge to the Minister

Jenkin backs call for lower pay deals

By John Hunt,

Parliamentary Correspondent
THE RECENT call from Sir Geoffrey Howe, Chancellor of the Exchequer, for a further substantial fall in the level of wage settlements was repeated and strongly underlined in the Commons last night by Mr Patrick Jenkin, the Industry Secretary.

The speech by Sir Geoffrey, made early last week, met with a storm of protests from trade union leaders.

Mr Jenkin backed it up last night when he replied to a Labour motion protesting at the "drastic increase" in unemployment in every region and condemning the Government's regional policies as totally inadequate.

Mr Jenkin told the House: "The Chancellor was right to stress that there can be no let up on pay."

It was important, said Mr Jenkin, that the Government's policy aimed at greater competitiveness must be sustained over many years. Britain had a long way to go even to get back to the relative position of competitiveness of 1975.

All the efforts of industry to improve efficiency would come to nothing, he said, if the whole benefit was swallowed up in higher pay.

If inflation was coming down, he thought it made sense from every angle that pay settlements should come down as well.

"We must continually hammer home the message that higher pay must be earned by higher output."

If pay was pushed up higher than in competitor countries then the consequences could only be loss of jobs and longer queue times. Mr Jenkin said that inflation was now running in single figures and this held out the prospect of the rate coming down for the rest of this year and into next year.

Emphasizing that further reductions in inflation were the primary target he said: "If we were to embark on policies which led to the resurgence of inflation we would forfeit the confidence of the great mass of British industry."

According to Mr Jenkin there was good news on the production front. Tuesday's figures had shown that industrial production was up in May. Most forecasts indicated that the underlying measure of output was expected to rise in the second half of this year.

There are welcome signs of economic realism right across the country."

Mr Jenkin condemned proposals in Labour's latest policy document. They envisaged the state takeover of the most successful companies, not by democratic act of Parliament but by statutory instrument.

Economic reality was not allowed to intrude in the document, he said.

In a fierce attack on Government policies Mr John Prescott, Labour's regional spokesman, said the recent proposals on assisted areas were totally inadequate. In three years of Conservative rule there had been the highest level of unemployment and the largest fall in total output. Against that background, he said, no regional policy could succeed.

In a reference to the possible closure of the London Underground he contended: "You will have to intervene eventually, particularly if the capital comes to a standstill."

Secret union ballots planned

By JOHN LLOYD, LABOUR EDITOR

THE GOVERNMENT is to hold early consultations on legislation requiring unions to use secret ballots in elections, Mr Norman Tebbit, the Employment Secretary, said yesterday.

Speaking at a Policy Studies Institute seminar in London, Mr Tebbit said: "It is now clear that many trade unions have not shown the will to take the necessary action themselves. The

strong implication hat, if they haven't moved on this issue over many years, the unions are unlikely to move voluntarily."

He said he did not believe that union leaders spoke for 12m people—the total union membership—and added: "They (the union leaders) talk about their members as though they were moths or sheep—and I don't believe that the members, who are really the trade unions, hold the same views as their leaders."

Mr David Waddington, a junior Employment Minister, complemented Mr Tebbit's attack on union leadership when he told a CBI conference in London yesterday that excessive union power had often stifled genuine communication between employers and their employees.

Managements have been encouraged to abandon completely their responsibility for informing employees about the financial position of the undertaking and the changes required to make it prosperous. They have relied entirely on shop stewards and unelected union officials for communicating with the workforce.

In some enterprises it is still the union alone which decides what information should be passed on and what withheld. Management shrugs off its responsibilities to employees and ignores the challenges in favour of a quiet life."

Youth casualties

FIVE youngsters died in the nine months ended March this year while working on Youth Opportunities Programme courses. Mr Peter Morrison, Employment Under Secretary, said in a Commons written reply. He did not give the circumstances of the deaths.

In a total of 2,682 accidents, 32 fingers lost part or all of a finger, hand, toe or foot. 34 suffered eye injuries and 452 sustained fractures.



1982

A world leader in paging systems

Established for more than 50 years.

Multitone, an entirely British company, pioneered the development of radio paging systems in the mid-1950s.

In 1980, Multitone profits exceeded £1 million.

The best of British from Multitone.

Multitone Electronics PLC,
6-28 Underwood Street, London N1 7JT.
Telephone: 01-253 7611 Telex: 206515

multitone

SDLP AND DEVOLUTION

Forgotten Act threatens Ulster plan

BY MARGARET VAN HATTEM, POLITICAL STAFF

A WIDELY FORGOTTEN Act of Parliament threatens to wreck the Ulster Secretary, Mr James Prior's plan for devolving power to Northern Ireland.

It would prevent a leading member of the Social Democratic and Labour Party, Ulster's only major nationalist party, from taking a seat in the new Northern Ireland assembly.

The SDLP whose support is crucial if the new assembly is to achieve the cross community support required for a transfer of power, may well boycott the October 20 elections for the Ulster assembly, unless the law is changed.

Mr John Hume, the party leader, yesterday described the issue as a "time bomb."

Mr Prior has ruled out any change in the law. For, apart from lack of time left in the present session of parliament, he is understood to consider that the necessary amendment would have no chance of getting through the Commons.

Recent opposition to his Northern Ireland Devolution Bill may well have strengthened him in this belief.

The Act in question is the 1975 Northern Ireland Assembly Disqualification Act, which bars civil servants, members of the judiciary, the police force and armed forces and, most significantly, "any member of the legislature of any country outside the Commonwealth."

The Act gives the Secretary of State no discretion to waive its provisions.

One man thus disqualified is Mr Seamus Mallon, deputy leader of the SDLP, who earlier this year was appointed by Mr Charles Haughey, the Irish Prime Minister, to a seat in the Irish Senate.

The SDLP has made no secret of its bitter opposition to Mr Prior's devolution plan, which it considers unworkable.

He went on to defend his decision to press ahead with

plans for assembly elections and "rolling devolution" for Northern Ireland. He believed he was right in adopting the same step-by-step approach to Northern Ireland Government that he had used as Employment Secretary in Industrial relations.

"I feel a little regretful that the over 400 British servicemen who died in Northern Ireland had not been honoured as had those who died in the Falkland Islands, was expressed yesterday by Mr James Prior, the Ulster Secretary.

The Ulster Secretary said it was far too easy for the people of Northern Ireland to place the responsibility for everything that went wrong on to someone else, generally the "Brits" and the British Government. "Until you get more responsibility will you continue to get extremism."

That accounted for the support for the Rev Ian Paisley and the losses of the Social Democratic and Labour Party to nationalist extremists.

of stockholders and the size of

In the White Paper the Government gave clear and unequivocal recognition to the right of the nationalist minority to consider themselves Irish and to express their Irish identity and their aspirations for Irish unity through legitimate political activity.

If this excludes Northern Irish politicians who sit in Irish political institutions, the SDLP argues that the unique relationship between Britain and Ireland, to which the British Government has often referred, and the concessions offered to nationalists in the White Paper are worthless.

The SDLP, already deeply disengaged by the Northern Ireland Devolution Bill, which is clearing its last stages in the Lords, has been angered further by Government hints that the setting up of a parliamentary party for the year-old Anglo-Irish Council may be a long way off.

That parliamentary body would provide a forum for Northern and Southern Irish nationalist politicians to work together. But Ministers have indicated recently that because of present strains between the London and Dublin Governments, the move is likely to be delayed. The SDLP regards this as a blatant attempt to blame Mr Haughey for the recent White Paper on Northern Ireland.

in the province, the party may, to some extent, feel trapped into taking part in the Assembly elections unless it can find an acceptable pretext for opting out.

The party executive is due to meet next month to decide whether to stand. Any decision to boycott the elections on this issue would embarrass the Government, calling into question the legitimacy of the recent White Paper on Northern Ireland.

State no discretion to waive its provisions.

One man thus disqualified is

Mr Seamus Mallon, deputy leader of the SDLP, who earlier this year was appointed by Mr Charles Haughey, the Irish Prime Minister, to a seat in the Irish Senate.

The SDLP has made no secret of its bitter opposition to Mr Prior's devolution plan, which it considers unworkable.

Since elections are the only

barometer of electoral support

in the province, the party may, to some extent, feel trapped into taking part in the Assembly elections unless it can find an acceptable pretext for opting out.

The party executive is due to

meet next month to decide whether to stand. Any decision to

boycott the elections on this issue would embarrass the Government, calling into question the legitimacy of the recent White Paper on Northern Ireland.

State no discretion to waive its provisions.

One man thus disqualified is

Mr Seamus Mallon, deputy leader of the SDLP, who earlier this year was appointed by Mr Charles Haughey, the Irish Prime Minister, to a seat in the Irish Senate.

The SDLP has made no secret of its bitter opposition to Mr Prior's devolution plan, which it considers unworkable.

Since elections are the only

barometer of electoral support

in the province, the party may, to some extent, feel trapped into taking part in the Assembly elections unless it can find an acceptable pretext for opting out.

The party executive is due to

meet next month to decide whether to stand. Any decision to

boycott the elections on this issue would embarrass the Government, calling into question the legitimacy of the recent White Paper on Northern Ireland.

State no discretion to waive its provisions.

One man thus disqualified is

Mr Seamus Mallon, deputy leader of the SDLP, who earlier this year was appointed by Mr Charles Haughey, the Irish Prime Minister, to a seat in the Irish Senate.

The SDLP has made no secret of its bitter opposition to Mr Prior's devolution plan, which it considers unworkable.

Since elections are the only

barometer of electoral support

in the province, the party may, to some extent, feel trapped into taking part in the Assembly elections unless it can find an acceptable pretext for opting out.

The party executive is due to

meet next month to decide whether to stand. Any decision to

boycott the elections on this issue would embarrass the Government, calling into question the legitimacy of the recent White Paper on Northern Ireland.

State no discretion to waive its provisions.

One man thus disqualified is

Mr Seamus Mallon, deputy leader of the SDLP, who earlier this year was appointed by Mr Charles Haughey, the Irish Prime Minister, to a seat in the Irish Senate.

The SDLP has made no secret of its bitter opposition to Mr Prior's devolution plan, which it considers unworkable.

Since elections are the only

barometer of electoral support

in the province, the party may, to some extent, feel trapped into taking part in the Assembly elections unless it can find an acceptable pretext for opting out.

The party executive is due to

meet next month to decide whether to stand. Any decision to

boycott the elections on this issue would embarrass the Government, calling into question the legitimacy of the recent White Paper on Northern Ireland.

State no discretion to waive its provisions.

One man thus disqualified is

Mr Seamus Mallon, deputy leader of the SDLP, who earlier this year was appointed by Mr Charles Haughey, the Irish Prime Minister, to a seat in the Irish Senate.

The SDLP has made no secret of its bitter opposition to Mr Prior's devolution plan, which it considers unworkable.

Since elections are the only

barometer of electoral support

in the province, the party may, to some extent, feel trapped into taking part in the Assembly elections unless it can find an acceptable pretext for opting out.

The party executive is due to

meet next month to decide whether to stand. Any decision to

boycott the elections on this issue would embarrass the Government, calling into question the legitimacy of the recent White Paper on Northern Ireland.

State no discretion to waive its provisions.

BBC 1

TELEVISION

Tonight's Choice

6.40 am Open University (UHF only). 10.55 am: The Open from Royal Troon—the 11th Championship. 1.00 pm: News After Noon. 1.27 Regional News for England (except London); London and South-East. Financial Report. 1.30 M/S Benzi. 1.45 Golf. Further coverage. 4.18 Regional News for England (except London). 4.20 Play School. 4.45 The All New Popeye Show. 5.05 Newsround. 5.10 Think Again: The fun behind the facts about milk.

5.40 Evening News. 6.00 Regional News Magazines. 6.25 Nationwide. 6.55 Holiday Report. 7.05 Medical Express. 7.35 Top of the Pops, introduced by Peter Powell. 8.10 Fame: Another story from New York's High School for the Performing Arts. 9.00 News. 9.35 Oppenheimer. 10.33 News Headlines.

10.40 "Horror Express," starring Christopher Lee, Peter Cushing and Telly Savalas: The two masters of horror take an event-filled journey by train across Siberia.

All IBA Regions as London, except at the following times:

ANGLIA

9.30 am: Shear Street. 10.20 Cheshire. 11.30 West Country. 11.50 Warwickshire. 1.25 pm: "Anglia News." 4.45 Father Murphy. 6.00 About Anglia. 8.35 Father Murphy. 9.00 "Anglia News." 9.30 Cheshire. 10.30 West Country. 12.30 pm: People and Their Poetry.

BORDER

9.30 am: European Folk Tales. 9.40 A Place to Live. 9.55 Joe 90. 10.20 Young Ramsey. 11.05 3-2-1 Contact. 11.30 The Extraordinary People Show. 12.30 pm: "Border News." 4.45 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

CENTRAL

9.45 am: Make Mine Music. 10.10 Bycicles. 10.35 Superstar Profile. 11.10 Young Doctor. 1.20 Central News. 4.20 Sport Billy. 4.45 Father Murphy. 6.00 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary. 11.35 Bernadette Peters in Concert.

CHANNEL

1.20 pm: Channel Lineup News. (S) Stereo broadcast (when broadcast on VHF).

RADIO 1

5.00 am: Radio 2. 7.00 Steve Wright. 9.00 Simon Bates. 11.00 David Jensen with the Radio 1 Roadshow (from Northern Ireland). 12.20 pm: News. 1.00 Newsbeat. 1.30 The Weather. 2.00 The Weather. 2.30 Power Power, including 5.30 Newsbeat. 7.00 Peat's Pleasures. 8.00 Richard Skinner. 10.00 John Peel (S).

RADIO 2

5.00 am: Ray Moon (S). 7.30 Terry Wogan (S). 10.00 Jimmy Young. 4.20 Gloria Hunniford (S). 2.00 pm: Ed Steer. 4.00: David and Goliath. 5.45 Nine O'Clock Sport. 6.00 John Dunn (S). 8.00 Country Club (S). 9.00 Alan Doff (S). 10.00 The Impressionists.

TELEVISION

Much of the day on BBC-1 is devoted to live coverage of the Open from Troon. Strangely enough for a sport which involves considerable acreage and protracted competition, it has proved a near ideal television entertainment. Anyone struck down and kept home with hayfever, summer 'flu or sheer laziness could be in for an interesting day.

Families with teenage members will be well aware that Thursday is Top of the Pops day. Those who have given the programme a miss since the Everly Brothers left the stage might like to know that tuneful stuff seems to be making a comeback.

A little earlier we have the start of a new series of Holiday Reports. John Carter, the programme's presenter, is one of those rare television animals, a critic who does not seem to boast his expertise to the viewer and who is rarely diverted into scoring points of the victims concerned.

Another new series starts in the form of Medical Express. For starters we are promised tips on how to improve our memories. If I can recall the time (7.05) I may watch.

There is a clash here with a new ITV light entertainment production, The Paul Squire Show. On balance it may be better to stay with memory improvement and the Top Twenty.

ARTHUR SANDLES

BBC 2

6.40 am Open University. 10.30 Play School. 4.28 pm: Golf: The Open—the 11th Open Championship. 6.10 Carl Flesch International Violin Competition. 7.40 News Summary. 7.45 Poems In Their Place.

News. 8.05 Benson. 9.15 Benson. 10.00 News. 6.50 Crossroads. 7.45 Falcon Crest. 10.28 TV News. 11.30 Rita Grant. 12.30 am What the Paper Say.

HTV Cymru Wales—As HTV West except: 4.20 Amers. 4.45 Storybook International. 6.20 Sat. 7.00 TV Diddly.

9.35 Sesame Street. 10.35 Al Dening Man of the North. 10.55 The Nature of Things. 11.50 Cartoon. 1.20 pm: The Prairie. 4.20 Linda House at the Prairie. 5.15 Survival. 6.00 Summer at Six. 8.30 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: European Folk Tales. 9.40 A Place to Live. 9.55 Joe 90. 10.20 Young Ramsey. 11.05 3-2-1 Contact. 11.30 The Extraordinary People Show. 12.30 pm: "Border News." 4.45 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Story Hour. 11.05 Alphabet. 11.30 The Adventure World of Sir Edward Hillier. 1.20 pm: Television. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non Stop New York." 11.50 The Undeas Adventures of Captain Nemo. 1.20 pm: TSN News. 4.20 Young Ramsey. 1.20 pm: Scottish News. 4.20 Here's Boomer. 6.15 Sport Billy. 8.00 Lookaround Thursday. 8.35 The Sound Of... 8.50 Crossroads. 7.45 Falcon Crest. 11.30 Late Great People Summary.

9.30 am: Sesame Street. 10.30 Feature Film: "Non

Accountancy Appointments

Operational/Systems Audit

Senior Position

European Travel
to £17,000 + car



Arthur Young McClelland Moores & Co.

A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

This major US food corporation is recruiting an ambitious accountant to join the small complement of European auditors based in the UK.

The work is totally project-oriented, with extensive scope for initiative and self management. The successful candidate will focus on systems reviews and development, but wide terms of reference will ensure variety. The UK base is west of London, with travel up to 60% within Europe and occasionally to the USA. Excellent promotional prospects are evident both within the Audit function and line management.

Candidates, ideally graduates, must be qualified accountants with 5-8 years

working experience. Preference has been indicated for applicants with a commercial background as well as a strong grounding in auditing techniques. Knowledge of at least one European language is highly desirable.

Confidence, professionalism and an outgoing personality are essential qualities.

Please reply in confidence giving concise career and personal details and quoting Ref. ER547/FT to J. J. Cutmore, Executive Selection.

Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

ACCOUNTANCY APPOINTMENTS

APPEAR EVERY
THURSDAY

Head of finance

Hampshire, to £30,000

The UK subsidiary of an international group, the company is among the world leaders in the manufacture and installation of advanced technological products. The future looks exciting with turnover already in excess of £150 million, over 40% exported, and a full order book.

Joining the senior executive team and reporting direct to the Chief Executive, you will manage the corporate accounting and treasury function and control financial policy within the operating divisions. The emphasis in your role is on the provision of financial expertise to control and expand the business and could well extend to supporting major contract negotiation.

A qualified accountant and a manager above all, your record of achievement in the industrial sector will include a major group, strong management accounting and a controllership at operating company level.

Resumes including a daytime telephone number to Stephen Blaize, Executive Selection Division, Ref. BF069.

Coopers
& Lybrand
associates

Coopers & Lybrand Associates Ltd
management consultants
Shelley House, Noble Street,
London EC2V 7DQ

Consultancy is Challenging

...As Roger Barton
found



After graduating in Mathematics, he gained significant accounting and operational research experience in the public sector before planning and implementing financial and accounting systems for both UK and US industrial companies. Since joining, he has carried out an organisational review for a major retail company and has designed computer systems for a new City financial institution.

"I joined PwA because I felt it presented me with an excellent opportunity to make the best use of the experience I had gained in various fields since starting my career. This has been borne out in practice - projects I have recently undertaken have enabled me to consolidate and expand my knowledge and experience. I am continually stimulated by the challenging and testing nature of assignments and am always confident of the solid back-up available within the organisation. Effective teamwork has proved a prime factor in making the job a rewarding one".

Successful Accountants up to £18,000

Price Waterhouse Associates is one of the leading management consultancy practices in the UK and worldwide. We have a continuing need for experienced accountants to complement our multi-discipline consultancy team.

You will have gained at least two years significant post-qualifying experience and should demonstrate the potential to manage assignments within 2-3 years of joining us. Direct experience of working with computer based management information systems is essential.

Our work involves the design and implementation of information, planning and control systems, viability studies and financial modelling. Above all, we work closely with our clients to provide practical solutions to business problems in a variety of commercial and industrial enterprises and in the public sector.

Our standards, like the assignments we undertake, are demanding and you will already have acquired diagnostic and innovative skills coupled with the flair and personality to deal effectively

with management at all levels.

Aged 27-32 you will have an accounting qualification. A degree would be a distinct advantage.

Salaries and conditions of employment are competitive. Substantial allowances are paid for work undertaken overseas. Our excellent in-house training will enhance your knowledge and skills. If you match the experience outlined and would like a challenging career in consultancy, please write in confidence for a personal history form, quoting reference MCS/7081 to: Michael Knowles, Executive Selection Division, Price Waterhouse Associates, Southwark Towers, 32 London Bridge Street, London SE1 9SY.

P.
rice
Waterhouse
Associates

Hoggett Bowers

Executive Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Company Secretary/ Accountant

North London, to £14,000 + profit share + car

Our client, with one of the most modern and well equipped confectionery manufacturing facilities in the U.K., requires an able and committed Company Secretary/Accountant to join their Management team. Reporting directly to the Joint Managing Directors, the successful candidate will be expected to make an active contribution to the formulation and execution of the company's operational plans and strategies. Responsibilities will include all accounting activities (which are computerised), insurances, pensions and statutory secretarial functions. Candidates should be aged 28-40, qualified accountants with computerised accounting experience, ideally within a fast moving consumer goods manufacturing background, be able to make and implement decisions and have the personality and ability to communicate effectively at top Management level.

E.H. Kirkham, Ref. 15048/FT. Male or female candidates should telephone in confidence for a Personal History Form 01-734 6852, Sutherland House, 5/6 Argyll Street, LONDON, W1E 6EZ.

Touche Ross & Co, Management Consultants seek Accountants in London and Manchester at £15,000-£20,000+car

We are an expanding consultancy practice whose clients, both in the U.K. and overseas, include small businesses, multi-national corporations, governments and other public sector organisations.

The work will include analysing clients' problems, advising them on strategic planning and organisational matters and helping them to improve their operating, management information and control systems.

Touche Ross & Co, Management Consultants
Hill House, 1 Little New Street, London EC4A 3TR. Tel: 01-353 8011.
A member of the Management Consultants Association.

In addition to U.K. work, our consultants have opportunities to participate in projects overseas, for which generous supplements are paid.

Applicants should have a degree, an accountancy qualification and at least four years' business experience.

Please send a comprehensive career résumé, including salary history and day-time telephone number, quoting ref. 2063, to G.J. Perkins.

Top Level Consultancy Financial Management and Systems

Peat, Marwick, Mitchell & Co.
Aged 28-35
London based

A consultancy practice is an elite group of like-minded professionals who enjoy working together. As a career, consultancy is stimulating and rewarding. As a career step, it provides a unique opportunity for the individuals to work with the senior management of a wide range of businesses, to add to their knowledge and to develop their skills.

To join our management consultancy practice we are looking for additional accountants who have professional skills and personal qualities of an exceptionally high order.

The work is varied and ranges from helping to develop business strategies to designing and installing financial planning and control systems, for all types of enterprises in Britain and abroad.

Successful candidates will be:
— qualified accountants
— ambitious and innovative managers
— graduates with a good honours degree or an MBA from a major business school.

They will have had at least five years' post qualification experience in successful, well disciplined industrial or commercial organisations. It will be of particular advantage if this experience has included the development of major computer based systems.

We are looking for outstanding people and our remuneration package - which includes a car - is designed accordingly.
Please send a brief CV to: M. J. H. Conroy
Executive Selection Division,
165 Queen Victoria Street, Blackfriars,
London, EC4V 3PD.

Controller - Europe

City

to £17,500 + car

For the recently established European headquarters of a successful and expanding international group. It is a leader in its field and provides a range of financial, marketing and business information services.

Your main task will be to develop financial reporting and management information procedures in a number of European subsidiaries. Working closely with senior management in the group and on the Continent, there will be a real opportunity to help them monitor and control the profitable development of the business. You will report to the Group Finance Director, and some travel will be involved.

You should be a qualified accountant, probably around 30, with good quality commercial experience since leaving the profession. Knowledge of a second European language would be an advantage.

There are excellent prospects for career progression within the group. Write in confidence to John Cameron, quoting ref. C070, at 10 Bolt Court, London EC4 (telephone 01 583 3911).

Chetwynd
Streets

Management Selection Limited

YOUNG ACCOUNTANT

circa £10,500

International Thomson Organisation
London Office

International Thomson is a leading international information and publishing business with strong interests in travel and natural resources, with its main operations in the UK and North America. Group sales are over £1,000 million. The principal UK office is in London.

A newly qualified ACA, mid-twenties, of above-average ability and potential is sought to join the small London financial team. The work involves the consolidation and drafting of quarterly and annual financial statements as well as the preparation of monthly management accounts and the annual budget. The job will involve liaison with senior management as well as with auditors and other professional advisors. The company offers five weeks' holiday and other benefits.

Please telephone or write for an application form and further information to:

Mr. P. G. Newman
International Thomson Organisation PLC
4 Stratford Place, London W1A 4YG
Tel: 01-629 3111 Ext. 243

Financial Controller

The City

Our clients are a successful property development company within a major banking and financial group. Though only 3 years old, the company is growing fast in financial terms, and is already extremely profitable. It now wishes to appoint a Financial Controller as the fifth member of a tightly-knit innovative management team. Working closely with the Managing Director, the Financial Controller will help direct the company's real estate development and management activities both within the U.K. and the United States. Applicants, aged 30-45 and ideally ACA qualified, must be entrepreneurial and imaginative in their approach. Previous property experience would naturally be an advantage. For the right individual the salary and company benefits will be substantial.

All enquiries will be accorded strictest confidence. Please write with full personal and career details quoting reference 1791 and listing separately those companies to whom you do not wish your details to be sent. Applications will be forwarded directly to our clients.

Charles Barker
RECRUITMENT ADVERTISING SERVICES

30 Farringdon Street, London EC4A 4EA. 01-236 3011

INSURANCE ACCOUNTANT RECENTLY QUALIFIED ACA/ACCA

AGE 25+

Up to £12,000 pa
European owned, highly successful London market company seeks a Financial Accountant, pref. with insurance experience, to report to the Financial Controller. Responsibilities will include D&T, statutory and management returns and the development of computerised accounting systems on own mini computer.

Andrew Moore, ACII, MOORE & WEEKS LIMITED, 52 Mark Lane, London EC3R 7QD. 01-481 1506 (Rec.Con.).

Accountancy Appointments

c.£18,000 p.a. Auditor - Europe HOME COUNTIES BASED International Company

Fully qualified ACA, ACMA or ACCA male or female aged 28 plus. Good French essential. MBA an advantage. Ability to develop and implement corporate audit programmes and provide management skills in professional competence and communications. Extensive European travel. Fringe benefits include Performance bonus, pension/life cover, BUPA and re-location expenses.

Suitably qualified candidates please phone 01-631 1444 for an application form quoting MRD 20015 (24 hour answering service).

RRD

Management Recruitment Division:
BOYDEN INTERNATIONAL LTD.
57 TOTTENHAM COURT ROAD, LONDON W1P 9ED.
AMERICAN OFFICES: BOSTON, CHICAGO, NEW YORK,
JOHNSON, MONTREAL, NEW YORK, TORONTO,
MEXICO CITY, PARIS, ROME, SAO PAULO, SYDNEY, TOKYO,
TORONTO AND OFFICES THROUGHOUT THE USA.
Consultants to Management on Executive Recruitment since 1946.

Head of Department

Investigations and Management Consultancy

West Country c.£17,500



We are the management consulting arm of Thornton Baker, a major firm of chartered accountants in the U.K. and a founder member of Grant Thornton International, with a network of offices worldwide. A substantial part of the practice is concerned with medium sized, growth oriented clients operating in most sectors of the economy.

As part of our expansion plans, we now need an experienced manager with partner potential to head up and develop our MAS practice in the West Country. The range of work will include:

- company investigations and negotiations with financial institutions
- formulation and monitoring of clients' business plans and policies
- design and implementation of financial and management control systems
- d.p. strategy, feasibility, selection and development studies
- executive selection

Candidates should be qualified accountants, aged 32-40, with several years relevant experience, sound commercial judgement and the ability to relate to a broad spectrum of clients and professional advisors, in order to develop the department further.

We offer a base in Bristol, significant opportunities for career development and a comprehensive remuneration package including a car.

Please send concise personal, career and salary details, quoting ref: WSG101 to:

N.G. Nichols, National Director.

Thornton Baker Associates Ltd., Fairfax House, Fulwood Place, London, WC1V 6DW.

Group treasurer

N West: £20,000 neg + car



For a major British group with manufacturing and trading interests on all continents. Reporting to the Group Financial Director in a small corporate HQ you will be responsible for all aspects of the treasury function including negotiating with bankers, managing foreign currencies, contributing towards strategic planning and monitoring cash management within the group. An important task will be to co-ordinate the financial requirements of the autonomous operating divisions to capitalise on the group's international strength.

This is a key post with high visibility and we are looking for a man or woman of some personal stature with extensive international treasury experience either in banking or a multi-national group.

Resumes including a daytime telephone number to E.J. Robins, Executive Selection Division, Ref. R101.

Coopers & Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

St. James's House Charlotte Street
Manchester M1 4DZ

Financial Director

Near Reading

c.£22,000

plus attractive benefits package

Our client, a privately owned specialist catering company covering prestige sporting events and other leisure activities, requires a Financial Director.

The person appointed will join the board with overall responsibility for the financial, accounting and secretarial functions.

He/she will be expected to contribute significantly to the management and direction of an expanding business.

Candidates must be chartered accountants in their late 30's or 40's with proven success at senior management level in commerce or industry.

Please write in confidence, to A.P.G. Platt, Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London EC4V 3PD, or telephone 01-236 3561 (24 hour service), for an application form, quoting reference 20701L.

Peat, Marwick, Mitchell & Co.
Executive Selection Division

TAX PARTNER DESIGNATE

A.C.A. 27-35

to £25,000 + car + benefits

Our client is a well established and progressive independent practice with a number of offices in the Midlands.

Due to a planned restructuring programme, they now wish to recruit a Partner Designate capable of operating and developing the tax consultancy department in their largest office.

The ideal candidate will be a chartered accountant with three or more years corporate or mixed tax experience.

This is an exceptional opportunity for candidates able to demonstrate commercial flair and good communication skills. Prospects to partnership within the short term are excellent.

For more information please contact Hazel Webber B.A. or George Ormrod B.A. (Oxon) at our London address, quoting reference no. 3719.

DOUGLAS LLAMBAS
Douglas Lambas Associates Limited
Accountancy & Management
Recruitment Consultants



Financial Director

S.E. England

to £25,000 + car

Our clients, a multi-location, capital-intensive service company (T/O £45m.), part of a major U.K. Group are seeking to fill the newly-created role of Financial Director. Working closely with the Managing Director, the successful candidate will be given every encouragement to participate in the general management of the company which is going through an interesting stage of development. Management services are in their infancy and a considerable amount of scope exists for introducing more sophisticated reporting systems. Applicants, male/female, must be Chartered Accountants, in their mid to late 30's, who have already gained experience of a senior nature in a similar type of operation. Ref. 1241/FT. Apply to R.P. Carpenter, FCA, FCMA, ACIS, 25 Old Bond Street, London W1X 3TB. Tel: 01-493 0156.

Phillips & Carpenter

Selection Consultants

ACCOUNTANCY APPOINTMENTS

Rate £29.00
per single column centimetre

410 Strand London WC2R 0NS.

Tel: 01-836 9501

26 West Nile Street Glasgow G1 2PF.

Tel: 041-226 3101.

3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744.

Director of Accounting Services

Croydon-Surrey

R.A.C. MOTORING SERVICES Ltd. wants a Director of Accounting Services who will be responsible for statutory and management accounts, taxation, cash-flow management and budgeting, financial planning, etc. The organisation has 23,000 members, and annual revenues in excess of £50 million. The successful candidate will have a senior accounting qualification and has probably been working in a consumer-oriented organisation at senior level. A decisive personality is required with clear organising ability and leadership qualities. A salary fully competitive and recognising the scope of the job will be negotiated. There are excellent fringe benefits.

Applications with full details from men and women should be sent in confidence to Peter K. Marlow, as adviser to the company, at Selection Thomson Ltd., 115 Mount Street, London W1Y 5HD. Tel. No: 01-493 6807.

Selection Thomson
London and Glasgow

FINANCIAL ACCOUNTANT

Manufacturers Hanover Industrial Finance Limited is a U.K. subsidiary of one of the world's leading banks and financial institutions. For the recently qualified accountant or finalist expecting to qualify soon, we can offer a career opportunity as a Financial Accountant specialising in finance for industrial fixed assets.

Based in the City, your responsibilities will include:

- Financial accounting and reporting using a micro-computer based system.
- Cash management.
- Liability management, involving the monitoring of money market activity.
- Developing and implementing accounting and administration procedures.

Starting salary in excess of £9,000 negotiable in accordance with qualifications and experience with a comprehensive and valuable fringe benefit package including subsidised mortgage.

Please write in confidence, giving full details, to: Malcolm Frost, Manager - Recruitment, Training & Development, Manufacturers Hanover Trust Company, 1 Gerry Rafferty Square, London E15 1XG.

**MANUFACTURERS HANOVER
TRUST COMPANY**

Nicholas

Pharmaceuticals, Toiletries
Hospital Supplies

Senior Manager - Accounting

£12,000 +

A management opportunity has arisen for a senior accountant with Nicholas Laboratories, a subsidiary of the Australian multi-national Nicholas Kiwi. The company manufactures many well known brands of pharmaceuticals, toiletries and cosmetics and has an annual turnover of £30M.

Reporting to the Finance and Logistics Director, you will lead a team of 6 management and cost accountants. Specific responsibilities will include co-ordinating the preparation of company and management accounts, long term financial planning and the development and replacement of financial computer systems. You will also have considerable involvement with a number of ad-hoc projects such as the rationalisation of facilities and the development of new products.

You should be qualified (preferably CA) with several years experience of financial/computer systems in management consultancy or in industry. Probably aged 25-40, you will have initiative, drive and good analytical ability, together with the potential and ambition for future career progression.

Salary will be negotiated from £12,000 plus car, super, pension and life assurance schemes and other attractive benefits.

Please write in full c.v. to: The Personnel Director, Nicholas Laboratories Limited, 223 Bath Road, Slough, Berks, SL1 4AU.

Management consultancy

Birmingham and Leeds £13,000 to £17,000

We are one of the largest international firms of management consultants and are seeking high calibre accountants to join our rapidly growing practices in the Midlands and the North of England.

We expect candidates, aged 28-34 and preferably graduates, to be currently working in manufacturing industry or commerce and have experience of:

- management information systems
- financial analysis and project appraisal
- product costing
- profit improvement and cost reduction
- computer based systems

We offer:

- an opportunity to develop your technical and business skills and participate in multi-discipline teams
- a wide range of assignments including systems design and implementation
- an opportunity for rapid career and salary progression
- a base in Birmingham or Leeds.

Resumes, including a daytime telephone number, for the Midlands vacancies to Robert Bradford at the Birmingham address below, quoting Ref. R834 and for the Northern vacancies to Victor Luck at the Leeds address below, quoting Ref. L835.

Coopers & Lybrand Associates

Coopers & Lybrand Associates Limited
Scottish Equitable House,
43 Temple Row, Birmingham B2 5JT
Scottish Mutual House,
Park Row, Leeds LS1 5JG

FINANCIAL ACCOUNTANT

Our client is a fast-growing private Group of Companies engaged in the manufacture, distribution and sale of toiletries and bath accessories. Turnover is currently £45m. per annum and is expected to increase substantially.

The Financial Accountant, who will report directly to the Managing Director, must:

- be a qualified accountant aged between 28-40
- have extensive experience in the development and introduction of computerised accounting systems, controls and reporting functions
- be an able manager, capable of building and controlling a team and dealing with the administrative problems of running a business
- have a dedicated and highly motivated approach to his/her work.

The appointment will initially be to the Parent Company but future involvement will be throughout the Group. Prospects are excellent. The salary package, which is negotiable, will depend upon experience.

Applicants should apply with a curriculum vitae to:

P. A. Beer Esq. FCA
H. W. FISHER & CO
Chartered Accountants
67/68 Long Acre London WC2E 9JW

Financial Accountant

The Company, processors of maize cereal to obtain starch, starch derivatives and corn syrups, are members of a large multinational Group.

The requirement is for a Financial Accountant reporting to the Chief Accountant, this person will be responsible for supervising cash and credit control functions, preparation of monthly accounting package to a tight deadline, control of balance sheet accounts and preparation of VAT returns. Finalist: ACMA/ACCA would suit. Experience of working with computers useful.

Salary negotiable and conditions include a non-contributory pension plan and free life insurance.

Candidates should send brief details of experience to date to: Steve King, Cargill-Albion Ltd., Tilbury Starch Mill, Tilbury Docks, Tilbury, Essex. Telephone: Tilbury (0375) 71122.

CARGILL-ALBION LIMITED

Consultant Financial Public Relations

As a result of the sustained growth of our City practice we are looking for a senior Consultant to join our rapidly expanding team of public relations specialists. The successful candidate will be able to demonstrate a sound track record in both financial and corporate affairs and will already have had several years experience of public relations counselling at senior management level.

The position is a challenging one offering excellent career prospects for a public relations professional aged 27 to 35. Salary and other benefits will reflect the seniority of the position.

Shandwick Consultants Limited, which specialises in financial, corporate and parliamentary affairs, is a member of the Shandwick Communications Group, the largest independent public relations consultancy in Europe.

Applications should be made in writing with full career details to:

Alan F. Mole
Managing Director

Shandwick Consultants Limited
Warnford Court, 29 Throgmorton Street
London EC2N 2AT

Taxation Specialist

We are looking for a young specialist to join Unilever's Taxation Department at the company's Head Office in London.

In addition to compliance work the Department advises on all aspects of tax legislation affecting the company's commercial and financial activities. The range and interest of problems reflect the scope and variety of the company's UK and international operations.

Applicants, in their late 20's or early 30's must be well-qualified, either through legal, accountancy or Inland Revenue training, supported by several years practical tax experience. They must also have the ability to apply their technical knowledge constructively in day to day dealings with commercial managers.

The successful candidate will be offered an attractive and progressive salary, prospects and benefits normally associated with a major international company.

Applications are invited in writing, giving details of background, qualifications and experience to: C.P. Broadbent, Staff Department, Unilever UK Central Resources Ltd., Unilever House, Blackfriars, London EC4P 4BQ.

Neg. £25,000 + Car/Benefits S.W. London

MANAGING DIRECTOR

Due to the expansion of our Diversification Programme we have a vacancy for a strong minded individual to take complete control of a new company primarily involved in the fast growing field of vehicle, plant and machinery auctions.

The successful applicant must be able to demonstrate a sound record of success in ventures requiring exceptional organisational ability. A professional qualification or degree in Management would be a decided advantage and the ability to sell the company at main board level is a pre-requisite.

The benefits accruing with the position will be discussed during the first interview, however salary will not be a restricting factor.

Reply in writing to:—J. A. Wynn,
Roverhire Limited,
Seagrave Road,
London SW6.

SENIOR MANAGER

A Brazilian Bank in London wishes to recruit an internationally oriented banker in the age bracket 30-40. Although the successful candidate will be based in London it is anticipated that there might be a relocation abroad. Candidates should have a solid banking background and a thorough knowledge of Brazilian banking practices and regulations, probably gained from a working period in Brazil. Fluency in Portuguese and English are essential prerequisites. Salary will be commensurate with experience and ability. Applications will be treated in strict confidence.

Reply to Box A7913, Financial Times
10 Cannon Street, London EC4P 4BY

WE CAN TRANSFORM
YOUR CAREER

By offering you the most comprehensive
Career Counselling service in Europe.
Our unique guarantee assures clients of rewarding careers,
obtained mainly from the unpublished job market.
Telephone for a free, confidential appointment with
a consultant, or send us your c.v.

London: 01-588 6711
35-37 Fitzroy St. W1.
Manchester: 061-228 0089
Sunley Building, Piccadilly Plaza.
We are the specialists in 'Outplacement' for organisations, through our
affiliated company Lander Corporate Services Limited. Address as above.

CHUSID

The Professionals in Career Counselling.

We are the specialists in 'Outplacement' for organisations, through our
affiliated company Lander Corporate Services Limited. Address as above.

GLEB has been established to carry through the GLC's new local authority economic strategy, aimed at creating long term jobs for London. Its work will involve:—
— active economic intervention to preserve existing jobs, and create new ones in the new sectors of London.
— promotion of new forms of ownership and work organisation and including co-operatives and municipal enterprises.
— channelling London's technology.
— resources to new and existing enterprises.
— developing packages of support for new projects, including buildings, advice, finance and technology.
GLEB will have a number of divisions, including the Industrial Investment Division and the Sector Strategy Division. In each case the director responsible for the division will be accountable to the Chief Executive for establishing and directing their division and be expected to play an active part on the management committee of GLEB.

Investment Director

The Industrial Investment Division will be concerned with the assessment of investment proposals of all sizes and the provision of advisory and other services as part of an investment package.

The Investment Director will be primarily responsible for:

- developing and applying approved appraisal techniques, which reflect both commercial and social cost benefit criteria.
- developing appropriate methods of assessment for different sizes and organisational structures of investing enterprises.
- processing applications from employment projects, and providing full support to those which propose to carry through GLEB's objectives most effectively.
- putting together packages of support with other investing institutions, and involving a broad range of organisations in investment projects including industry, commerce, trades unions, and local authorities.
- providing advisory services for GLEB supported investment projects including advice on marketing, exporting and finance.

The Director will also be responsible for working as part of inter-divisional project teams and providing appraisal and advisory inputs into investment projects.

A successful track record in the investment field, which will enable the Director to build up a team of investment staff, is a prerequisite. The ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Experience in long range corporate or sectoral planning, investment analysis or liquidations, gained in industry, a public enterprise or planning agency, finance or banking would be particularly ideal. A background for this senior position.

The Director will also be responsible for working with inter-divisional project teams and providing appraisal and advisory inputs into investment projects.

A successful track record in the investment field, which will enable the Director to build up a team of investment staff, is a prerequisite. The ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Experience in long range corporate or sectoral planning, investment analysis or liquidations, gained in industry, a public enterprise or planning agency, finance or banking would be particularly ideal. A background for this senior position.

The Director will also be responsible for working with inter-divisional project teams and providing appraisal and advisory inputs into investment projects.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

For further details write to Alan McGarvey, Chief Executive Designate, Greater London Enterprise Board, Room 334A, The County Hall, London SE1 7PB, or telephone 01-633 5665.

A successful track record in the investment field, and the capacity to take long-term strategic views of companies and sectors, are also required. An ability to work with and be sensitive to the needs of trades unions, industry, Borough Councils and voluntary groups is also essential.

Relevant experience will have been gained at management level in public, private or co-operative industry or commerce, in a public enterprise agency, or in banking.

GLEB is an equal opportunities employer.

The salaries for these posts are likely to be in the region of £24,000.

International Appointments

Financial Reporting and Planning

A Career Move into Oil

London and Overseas

£15,000 +



Arthur Young McClelland Moores & Co.

A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

The company is the UK subsidiary of a major international US oil corporation with substantial revenue resulting from successful North Sea Partnerships. The company is in the process of expanding its accounting function in London.

We are seeking several bright and ambitious accountants to join the financial team. Various job specifications include financial reporting and planning, contractual compliance, tax, royalty accounting and ad hoc projects. Overseas assignments in North Africa and the Middle East are possible. Promotional prospects within this growth environment are excellent.

Candidates must be qualified accountants who can demonstrate success through career progression and

educational achievements. Knowledge of the oil industry gained directly through audit would be an advantage but not compulsory. To facilitate successful interface with headquarters, candidates must have exceptional communicative skills. Personal characteristics of determination, initiative, flexibility and enthusiasm are essential. Age is indicated as 27-35.

Please reply in confidence giving concise career and personal details and quoting Ref. ER512/FT to J. J. Cutmore, Executive Selection.

Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

EMPLOYMENT CONDITIONS ABROAD LIMITED

An International Association of Employers providing confidential information to its member organisations, not individuals, relating to employment of expatriates and nationals worldwide

01-637 7604

DO YOU UNDERSTAND MONEY?

HAMBRO LIFE ASSURANCE
SALES & MARKETING
SALES PEOPLE WANTED
Our specialised and continuous training, coupled with hard work, energy and determination will do the rest. In 1981, more than 350 of our Sales Associates earned in excess of £10,000. Many had no previous experience. Successful applicants are likely to be between 25-55, live within 40 miles of London and highly independent by nature.
PLEASE TELEPHONE
MAX HELICAN ON 01-405 5361

Head of Consumer Banking

Kuwait • Up to \$Six Figures

computerised banking practices. Salary will not be an obstacle for the right candidate and, realistically, total remuneration is likely to be into six figures. There is no income tax in Kuwait, and the contract provides a high standard of accommodation, a car, children's education and other benefits associated with a senior overseas position.

All correspondence will be in the strictest confidence and candidates should send full career details to Andrew Duncan at Bull, Holmes (Management) Ltd, 45 Albemarle Street, London W1X 3FE, England, Tel: 01-493 0742, quoting Ref. 287.



PERSONNEL ADVISERS

DEN NORSKE CREDITBANK

is the largest commercial bank in Norway, specialized in the financing of international oil, energy and shipping activities.

DEN NORSKE CREDITBANK (LUXEMBOURG) S.A.

its wholly owned subsidiary, has been active in international wholesale banking since 1974 and is offering international banking services to corporate customers in Scandinavia and Continental Europe. Assets of DnC Luxembourg increased last year by nearly 36% to a total of Flux 38,000 million. The bank has just moved into its own new premises in the centre of Luxembourg City.

In our Credit department a position as REGIONAL MANAGER BENELUX/SCANDINAVIA is vacant.

Our new manager will be responsible for marketing and business development in Belgium, Holland and Scandinavia.

Applicants should have 3-5 years experience in International Finance and/or Credit Evaluation from banking, insurance, shipping or industry. Fluent English is necessary. Knowledge of French or any Scandinavian language would be an advantage, but is not required.

For further information please call

Mr Vidar Sydnes, Deputy Managing Director, Luxembourg, Telephone No. 211 01.

Personal and career details shall be addressed to

Mr Frik Hougen, Deputy Managing Director, Den norske Creditbank (Luxembourg) S.A.

21, Boulevard Prince Henri, Luxembourg, by July 20, 1982.

International Banking

The International Division of this specialist Bank Recruitment Consultancy carries a wide ranging portfolio of assignments including the following:-

HEAD OF CREDIT—GENEVA

CHIEF DEALER—ABU DHABI

SYNDICATIONS OFFICER—PARIS

COMMERCIAL BANKER—PARIS

MARKETING OFFICER—STUTTGART

COMMERCIAL BANKER—GENEVA

REGIONAL MANAGER (GERMANY)—LUXEMBOURG

CHIEF ACCOUNTANT—PARIS

INVESTMENT ANALYST—BAHRAIN

SYNDICATIONS OFFICER—MUNICH

CHIEF DEALER—BAHRAIN

SENIOR COMMERCIAL TRADER—KUWAIT

SENIOR SPOT TRADER—PARIS

CUSTOMER SERVICES—GENEVA

QUALIFIED ACCOUNTANT—FRANKFURT

HEAD OF CREDIT—PARIS

DOCUMENTARY CREDITS—FRANKFURT

CHIEF DEALER—LUXEMBOURG

FINANCIAL ANALYST—GENEVA

COMMODITIES FINANCING—PARIS

Jonathan Wren

Banking Appointments

If you are interested in these or other opportunities please write in confidence enclosing a detailed curriculum vitae to Roy Webb, Jonathan Wren & Co. Ltd., International Division, 170, Bishopsgate, London EC2M 4LX. Tel: 01-623 1256. No identities divulged without permission.

AIR ZIMBABWE

Applications are invited for the post of

CHIEF INTERNAL AUDITOR OF AIR ZIMBABWE CORPORATION

based at the Corporation's Headquarters at Harare (formerly Salisbury) Airport, Zimbabwe.

Applicants should be either CA, ACCA or equivalent, who have at least five years' post qualification auditing experience. A university degree in a relevant field and airline accounting experience would be an added advantage.

This position calls for a person with the necessary organising ability, initiative and experience to establish a new Audit Department.

In return the Corporation offers:-

- *An excellent starting salary
- *Membership of contributory pension and medical aid schemes
- *Concessionary travel privileges
- *Generous leave

Harare is a modern city with good health, recreational and educational facilities, and enjoys year-round sunshine.

Interested persons are requested to send full details of curriculum vitae to:-



The General Manager,
Air Zimbabwe Corporation,
P.O. Box AP.1,
Harare Airport.
Zimbabwe.

INTERNATIONAL TAX EXECUTIVE

Large U.S. based multinational firm seeks a seasoned executive experienced in international tax matters with heavy emphasis on Europe. Public accounting, chartered accountancy or equivalent experience with multinational firm is essential. N.Y. based position with extensive travel worldwide. Reports directly to Vice-President of Tax. Language ability an asset.

Write Box A7914, Financial Times,
10 Cannon Street, EC4P 4BY

INTERNATIONAL APPOINTMENTS

APPEAR EVERY
THURSDAY
RATE £29.00
Per Single Column
Centimetre

CRUISE LINE

SHIPBOARD HOTEL MANAGERS
Prestigious Miami-based cruise line operating passenger vessels in the Caribbean has opening for shipboard hotel managers. The qualified applicant will have extensive hotel management experience with thorough knowledge of food and beverage. Previous shipboard experience a must. Excellent starting salary and fringe benefits. Send detailed resume with references to:

SHIPBOARD HOTEL MGRS
P.O. Box 010042, Miami, FL 33101

Financial Manager

Frankfurt attractive salary package + car

Crosfield Electronics Limited, a Division of the British-owned De La Rue Group of Companies, specialises in the design and manufacture of a wide range of sophisticated electronic equipment for the graphic arts and printing industries, and now exports over 85% of its turnover. An opportunity has arisen for an experienced accountant to become the Financial Manager of Crosfield Electronics' German-based subsidiary.

Reporting to the General Manager the prime responsibilities will be to provide a complete administrative and financial support service to local management, to prepare monthly and year end accounts, budgets and forecasts for the UK office, and provide a local treasury and secretarial function. There will also be a requirement for extensive involvement in the development of existing computer-based systems.

Candidates will probably be qualified accountants and must be familiar with multi-national financial reporting procedures. Experience in EDP and staff control is also essential, as well as fluency in German and at least a good working knowledge of English.

An excellent salary will be negotiable according to ability and experience. Other benefits are first class and will include assistance with relocation expenses where necessary and a company car.

Please write with full personal and career details to: Mr. A. W. Tyler, Personnel Manager Europe, Crosfield Electronics Ltd., 766 Holloway Road, London N19 3JG.

Interviews can be held in either London or Eschborn.
This appointment is open to men and women.



Success in exporting Advanced Technology

A leading Financial Institution in the Middle East requires:

1. A FOREIGN EXCHANGE DEALER Ref. 2060 2. A FOREIGN EXCHANGE ANALYST WITH CHARTING EXPERIENCE Ref. 2061

Applicants for the above positions, who will report to the Foreign Exchange Manager, will have at least three years relevant experience gained in first class financial institutions. In both cases exposure will have been gained to a broad range of currencies and instruments.

Salaries will be free of local tax. Free accommodation, car or transport allowance and medical facilities will be provided. Other benefits will include generous annual leave and return air fares. Appointments will be on married status where appropriate.

Please write or telephone for an application form, quoting the appropriate reference number, to W. L. Tait.

Touche Ross & Co, Management Consultants

Hill House, 1 Little New Street, London EC4A 3TR. Telephone: 01-353 8011
A member of the Management Consultants Association.

International Appointments

International Financial Planning-Netherlands

Tektronix is a world leader in electronics, specialising in the design, manufacture and sale of test and measurement and information display equipment. In Europe we have sales and manufacturing subsidiaries together with dealer relationships throughout Africa and the Middle East.

We have an opportunity in our European Headquarters in The Netherlands for a Financial Planning Manager, who will be responsible for ensuring the provision of financial analyses of Tektronix European operations, the co-ordination and consolidation of short- and longer-term financial forecasts, the analysis of the financial implications of business strategies, capital expenditure forecasting and evaluation and related activities. Close working relationships with Operating Managers will be a major aspect of the role, which also offers the opportunity for contributing to systems development.

This position offers the chance of having considerably greater influence on our business than the classical financial reporting role. You will be expected not merely to assemble complex and

detailed information but also to evaluate it critically and to gain acceptance of your proposals for any necessary corrective action.

To be an ideal candidate you will be in your late twenties or early thirties and will have a demonstrated record of achievement in the financial planning department of a multi-national company. You will also have relevant experience and qualifications.

To succeed in this role, you should be ready to have a real commitment to working from and living in The Netherlands. Verbal and written fluency in English is essential, and knowledge of other European languages desirable. A comprehensive and competitive remuneration package will be offered and assistance given with relocation where necessary.

Please write, giving an educational and career summary and details of personal, educational and relevant business achievements to: Arthur Wilbraham, Director, Human Resources - Europe, Tektronix Europe B.V., P.O. Box 827, 1183 AV AMSTELVEEN, The Netherlands.

Tektronix
COMMITTED TO EXCELLENCE

Sab. Oppenheim jr. & Cie.
Privatkonsul seit 1789

Wir suchen zum baldigen Eintritt

Portfolio Manager

mit mehrjähriger Erfahrung in internationalen Börsenwerten. Gute Kenntnisse des Deutschen, des Englischen, möglichst auch des Französischen sowie die Fähigkeit zu selbständiger Arbeit werden vorausgesetzt. Bewerbungen mit Lebenslauf, Zeugniskopien und Lichtbild richten Sie bitte an unsere Personalabteilung.

Unter Sachsenhausen 4, 5000 Köln 1, Telefon 0221/1651 390

UNIVERSITY OF THE WITWATERSRAND,
JOHANNESBURG

DEPARTMENT OF BUSINESS ECONOMICS EP BRADLOW CHAIR OF BUSINESS ECONOMICS

This challenging opportunity — The EP Bradlow Chair of Business Economics, which also involves the Headship of the Department, offers outstanding scope for personal achievement with one of South Africa's leading Universities. Applicants, regardless of sex, race, colour or national origin, should ideally have several years broadly based teaching experience and possess a good publications record. Further experience gained at a senior level in Industry or Commerce would be an added advantage. The ability to communicate effectively at all levels and to lead the department in both academic and administrative areas is important.

The Department presently concentrates on four main areas of teaching, study and research: Business Finance, Marketing, Labour Economics and Production Theory. The successful research in those fields and to develop new ones if desired, he or she will also enjoy excellent support from the business community.

The salary is in the range of R23 109—R30 255 per annum, plus a salary subvention of R7 500. Private consulting work subject to University regulations is permitted.

Benefits include housing subsidy, pension fund, medical aid fund, an annual bonus of nearly one month's salary, generous research leave privileges and 75% remission of tuition fees for dependants attending the University. Assistance with relocation expenses will also be offered. The University would be prepared to consider a contract appointment.

The post commences early 1983 or sooner if preferred. Interested applicants may obtain further information from: Director, Personnel Office, University of the Witwatersrand, 1 Jan Smuts Avenue, Johannesburg, South Africa 2001.

Closing date for applications, 30th September 1982.



IN THE NAME OF ALLAH, THE BENEFICENT,
THE MERCIFUL
DAR AL-MAAL AL-ISLAMI

A new International Force in Life and
General Insurance

MANAGEMENT APPOINTMENTS

The Takafol Division of DAR AL-MAAL AL-ISLAMI (DAMI) SA is looking for people with drive and ambition for appointments in both middle and management positions. These positions are in administrative and marketing of Life and General Insurance. Candidates should have previous experience in this particular field, a good academic background and should preferably be aged between 30 and 45. Appreciation of Islamic economic principles would be a definite advantage. Selected candidates will be appointed for positions in European, Middle Eastern or African countries. You will have the satisfaction of working for a new innovative and financially strong group which is destined to become a powerful force in the field of international finance. Written applications only should be addressed to:

Mr. Mohammed H. Alvi, 30 Creighton Avenue, London N10 1NU.

GENERAL APPOINTMENTS

SENIOR CLERK

Spanish speaking banker, in mid 20s, required for supervisory position in cash/remittance department of respected International Bank. Candidates should be fully conversant with remittance and clearing procedures and will be expected to ably cover for department head when necessary. Excellent benefit package offered.

CREDIT ANALYST to £15,000

International Bank seeks analyst 25-40+ with several years' experience in spreading financial statements and preparing reports. Current risk analysis experience is an advantage.

EUROBOND SALES c. £20,000

An established Securities House wishes to recruit an additional sales person. Ideally in late 20s, with at least two, to three years' relevant experience.

F.X. DEALER c. £14,000

Established International Bank requires a clear dealer in twenties with broadly based FX experience gained within active trading room.

COMPUTER PROGRAMMER to £12,000

Leading European Bank has opening for programmer with at least 5 years' RPG II experience and international banking background, ideally covering export finance and money market.

OTHER GOOD POSITIONS AVAILABLE IN ACCOUNTS, DOC. CREDITS, LOAN ADMINISTRATION, CREDIT ETC.

GORDON BROWN

46 COPTHALL AVENUE, LONDON E.C.2

Tel: 01-628 4200

FOREIGN EXCHANGE DEALERS

The London Office of an overseas bank seeks ASSISTANT to the Chief Dealer. The person required will be aged between 26-30 years and will have held a senior dealing position with at least 3 years' active experience in all aspects of Foreign Exchange. Salary £17,000-£25,000.

DOLLAR DEALER with good arbitrage experience required for the London office of a major European Bank. Salary £11,000-£16,000.

JUNIOR DEALER

Expanding overseas Bank with strong Middle Eastern connections seeks YOUNG DEALER with 1-2 years' active Spot Dealing experience. Salary £10,000-£15,000.

For details of these positions please contact Paul Boucher on the number below or 01-743 9591 evenings and weekends.

CHARTERHOUSE APPOINTMENTS

01-481 3138

Europe House, World Trade Centre, London E1

Finanzleiter

Deutschland

Unser Klient ist ein multinationales Unternehmen, das sich in den letzten Jahren einen ausgezeichneten Namen für innovative Landmaschinen gemacht hat. Gesucht wird ein aufgeschlossener, qualifizierter Buchhalter als Finanzleiter für Deutschland. Sie sollten in der Lage sein, die Bereiche Kostenkalkulation, Bankgeschäfte, Arbeitnehmer/Arbeitgeber-Beziehungen, Export, Exportfinanzierung, Vertrieb und Unternehmens-kapitalisierung zu überblicken. Daneben sollten Sie zu einer ansprechenden, effektiven Kommunikation auf den verschiedenen Ebenen und Gebieten fähig sein; eine gute Beherrschung der deutschen und der englischen Sprache ist Voraussetzung.

Für den erfolgreichen Bewerber sind außerdem erstklassige Nebenleistungen nach Vereinbarung vorgesehen. Vorstellungsgespräche finden in den nächsten drei Wochen in Deutschland statt.

Bewerbungen erbetan an: Brian Luxton, Generaldirektor (Ref: 6601)

mh Mervyn Hughes Group

Garfield House, 86-88 Edgware Road, London W2 2EA 01-258 3725

AUSTRALIA

QUEENSLAND PUBLIC SERVICE

DEPARTMENT OF MINES

CHIEF ADVISOR

(COMMERCIAL POLICY)

BRISBANE

SALARY SA 45,489

The Department of Mines is responsible for the encouragement and control of all exploration and mining throughout the State of Queensland.

THE POSITION: The Department is expanding its endeavours in the commercial and trading spheres and requires a top-level executive to advise the Honorable Minister and the Director-General on commercial matters relating to the mining industry.

THE APPLICANT: It is envisaged that the successful applicant will have a background of commerce, economics and/or law with an extensive knowledge of commercial activities preferably in the mining industry. Preference may be given to applicants who possess tertiary qualifications. He will have a proven ability as a high-level negotiator both with local and overseas clients representing private enterprise and government. It would be preferable that the appointee be no more than 45 years of age.

SALARY AND CONDITIONS: The salary will be as stated above and under normal circumstances the appointee will be required to contribute to the State Service Superannuation Fund.

Four (4) weeks' annual leave plus long service leave after ten (10) years of successful service.

APPLICATIONS: quoting position reference number 615 V 82 and containing full particulars of name, address, telephone number, date of birth, marital status, qualifications, experience and present employment and furnishing copies of testimonials and the names of two referees should be forwarded to the Chief Executive Officer, Department of the Public Service Board, Box 59, Post Office, Brisbane, North Quay, Queensland 4000, Australia by 30 August 1982.

PHONE NOW

London 01-839 2271

Birmingham 021-623 5491

Bath 0225-333 1451

Manchester 061-835 1450

CUT THIS OUT

You will need it the day
we are the firm that

provides the most
experienced nationwide
executive job search,
career counselling and
video coaching services.
(75% of our clients take
up higher salaried jobs.)
We also have the best
access to the
unpublished market
(over 50% go to
unadvertised positions).

PHONE NOW

London 01-839 2271

Birmingham 021-623 5491

Bath 0225-333 1451

Manchester 061-835 1450

Percy COUTTS & CO. LTD

25 Whitehall,
London SW1A 2BT.

Enquire also how these
redeployment services
can be included in your
severance terms.

NIGERIA

We are looking for a Managing

Director for our office in Lagos.

Applicants should be single,

aged 30-40 and should possess

a high degree of self-motivation
as well as having general trad-

ing experience, preferably with

Nigeria.

Salary negotiable

Full cv to:

Box A7904, Financial Times

10 Cannon Street

London EC4P 4BY

BANKING OPPORTUNITIES OVERSEAS

SENIOR ANALYST/PROGRAMMER c. £12,000

Expanding European Bank seeks experienced banking analyst/programmer, in their 20s, for production of a new international banking software package. Must have 3 years' experience in Risk Management, one year of which has been in conjunction with IBM 3274 hardware.

FINANCIAL ASSISTANT/TREASURER c. £10,000

Merchant bank requires a financial assistant aged 25-40 with 5 years' general banking background to trade interbank and with money brokers plus all relevant back-up to deals. Small but active department.

PAY & RECEIVE SUPERVISOR 20/30 £10,000/£11,000

New European bank seeks pay and receive supervisor with knowledge of accounts, trial balance, management reports and knowledge of fax machine instructions.

GRADUATE TRAINEE — CREDIT ANALYST c. £8,000

U.S. Bank seeks graduate, with 2 years' general banking experience to train as credit analyst.

CREDIT ANALYSTS — BAHRAIN c. £20,000

Analysts, aged 20/30s, with four years' experience in credit analysis of banks, corporate or financial institutions, with US bank training and Eurocurrency exposure required by expanding bank in Bahrain.

LJC Banking Appointments Ltd.

17 BISHOPSGATE, LONDON EC2M 4LX

01-283 9953

INVESTMENT MANAGER c. £25,000

ALSO

INVESTMENT ASSISTANT c. £10,000

Required for the management of church and charitable funds.

Knowledge of both fixed interest and equity markets essential.

Applications in strict confidence. C.V. to include

career resume and any church connection to

Box A7915, Financial Times, 10, Cannon Street, EC4.

SENIOR LOANS ADMINISTRATOR

required for our Loans Administration Department at

Finsbury Square, EC2

Successful applicant will have a minimum 2 years' related

experience with an international bank, be between the ages

of 18-25 and educated to at least O level standard. Some

knowledge of money market instruments advantageous.

Competitive salary. Benefits: BUPA, season ticket

MANAGEMENT: Marketing

How to survive in the lion's den

Christian Tyler on Lansing Bagnall's success in the tough German market

ONE OF the first things the foreign owners did when they bought the factory was to fire half the labour force—mainly for drinking and brawling at work. It was an early sign of the new arrivals' determination to succeed against fierce opposition in one of Europe's most difficult markets.

An American, multinational in Scotland? Not a bit of it. This was a British engineering company setting up shop in the relatively easy-going Southwest of the German Federal Republic. And its aim was to wrench market share from some 80 competitors, both domestic and foreign.

It was 18 years ago that Lansing Bagnall, the UK lift-truck manufacturer, decided it could no longer afford to ignore the plump Continental market; at times West Germany has accounted for almost half all European sales of electric trucks.

Today, Lansing GmBH, with an 8,000 sq ft factory at Bochum, in the Rhine valley, south-west of Heidelberg, is one of relatively few UK engineering companies to have put down its own roots in West Germany's rigorous industrial climate.

Lansing enjoys—if that is the word—a sort of symmetry with its biggest West German competitor, Jungheinrich. As reported on this page some weeks ago (May 13) Jungheinrich claims 9-10 per cent of the UK market for electric warehousing trucks which it imports through its Manchester-based marketing subsidiary. Lansing claims 7-8 per cent of the West German market with products manufactured both at Rotheim and at Basingstoke, Hampshire. The two rivals have been operating in each other's markets for a similar number of years.

The difference is that Lansing took the manufacturing route, using Rotheim as a supply centre not only for West Germany but for other countries as well—including the UK. Of the 1,800 units produced annually at Rotheim (compared with a capacity of 10,000 at Basingstoke), 600 are sold within the Federal Republic. And of the rest the biggest proportion—about 30 per cent—goes back to the UK.

TECHNOLOGY

Waste disposal
Sewerage problem

BRITAIN'S SEWERS, it seems, are beginning to feel the strain after more than 100 years of effluent. Many are severely corroded.

Repairing and replacing aged underground pipes is a present water authorities with a difficult problem because replacing the sewers which often lie under busy streets is a costly and disruptive task.

The Thames Water Authority decided to try laying a 119-year-old sewer in the Farringdon Street area of London with a sprayed foam insulation material used for roofs, rather than dig up the road.

The authority asked GKN, premier products of Gladstone, to undertake the work. The company shotblasted the iron sewer, applied a primer and an epoxy coating. It then made glass reinforced plastic segments to line the walls and these were lowered through the 3 ft manholes.

The team was used to fill the gap between the new lining and the prepared sewer to produce a stable pipe.

Diagnosis

Fault check

BUSINESS of Chesham, Herts (0992 290111) has developed the T435, a digital pulse signal telephone cable to fit locations where the test wave signal in a suspected fault and compare them, speeding up fault diagnosis.

There are 10 fault diagnosis ranges from 30 metres to 12km and the problem can be pinpointed to within 10m. Open and short circuits and several other conditions can be determined.

Welsh company Mixalloy looks set to make an impact on the metals industry Robin Reeves reports

Powder slurry to replace hot and cold rolling

RHYDYMWN is the name of a village in Clwyd, North Wales, which can be translated as "metal ford". It makes a very appropriate location for the new company, Mixalloy, which has crossed the divide from one metal technology to another. It is developing a business which seems likely to make a big impact on the metals industry.

One of the massive hot and cold rolling departments and annealing pits involving millions of pounds of investment in their place is a modern production line using equipment which goes more to the point bending, drawing, rolling and paper-making industries. So, to speak advanced.

Mixalloy's business is the manufacture of strip metals and also carbon metal powder slurry rather than hot metal using a technology which was developed by the British Steel Corporation just down the road at Shotton.

By the time BSC was ready to move on from the research and development stage to pilot production, the Corporation was busily engaged in the task of finding premises on a private industrial estate at Rhydymwyn, near Mold.

BSC, for its part, agreed to give the company an exclusive world wide licence for the process. Mixalloy is permitted to produce every kind of strip by the slurry method except steel and to sub-license, in some instances.

It took nine months to build and commission the plant at Rhydymwyn. The first strip was sold in March and, last month, Mixalloy ran through its first order of more than a tonne. It is still in the process of fulfilling customers. So far, everything it has produced has gone abroad.

Among those who opted for redundancy cheques were Iwan Davies and Ed Jackson, both of whom had been working on the slurry project. They saw the opportunities it presented for manufacturing a whole range of strip metals and alloys, not just iron and steel. So far, Mixalloy has produced 100 tonnes of strip metal.

Now, Iwan Davies and Ed Jackson are in the process of setting up a new company, Mixalloy, to take over the business.

Although ONE of the most efficient ways of dealing with a faulty mail from one identifiable organisation is the franking machine, postmen must often have to leave the draw-back that, as yet, they must be physically transported to a post office to have new credit programmed.

Pitney Bowes—which claims to be 86 per cent of the £200m UK market in these machines—

believes that the re-programming process takes about 40 minutes on average and is a distinct inconvenience and time-waster in their rooms.

So it has introduced RMRS—remote meter resetting system—which allows the job to be done by postmen using a computer in the mail room. Resetting them takes about 40 seconds. To operate RMRS, the postmen

inserts a multi-frequency tone generator into the mouthpiece of the telephone, having the effect of allowing the postage meter to "talk" to the central computer by sending audio tones that represent numbers.

The user then rings the computer at the Pitney Bowes centre and will hear requests to key in certain data using a

small hand-held keypad.

The instructions, generated electronically by the central computer, will tell the caller to enter an opening code, his account number, the meter number and the amounts of credit used and unused.

At the centre, the computer

will then make data security and funds checks, after which its voice unit will "speak" a reset code number which will allow the combination lock on the meter to be released and a set amount of credit to be added to the postage unused register.

The lock combination is different every time the system is used, to improve security.

Two models of the new meter are available, the S388, with setting increments of £200 and the S389 with £2,000 increments. Records of all the RMRS users' transactions are held on a 5035m computer at Pitney Bowes' European headquarters in Harlow, Essex. All the hardware elements of the machine are duplicated so that if any single element fails its functions are automatically taken over by the duplicate without halting normal operations.

The arrangement gives a mean time between failures of some 58 years: there is essentially no risk of a user failing to get a credit update when needed.

Each of the users pre-pays

Cut your telex costs here: NTL

Network Technology Limited

We have the affordable, effective answer—now!

Units 8, Suttons Industrial Park, Reading, Berks RG2 1AZ

Tel (0734) 664857 Telex 849023

Radio testing

Software package

THE TESTING of amplitude and frequency modulated transmitters/receivers is simplified, says Hewlett Packard, by the use of an instrumentation set-up called HPS955A, driven by a new, comprehensive software package.

The arrangement embraces the company's 8903A audio analyser, the 8901A modulation analyser for transmitter modulation measurements, the 8856A synthesised signal generator and the 436A power meter.

The operating system of the software employs an automatic program generator which links together the user-specified measurement routines into a storable program.

No thanks. Bye. Bzzz. Clunk.

Keep your salesmen off the phone. We can make 5,000 contacts a week to keep them on the road. Telemarketing

Call the telephone marketing professionals on 01-247 484126 Clifton Street, London EC2. **EDS** Data & Document International



Bruno Kulick, head of Lansing's West German operation—native managerial skills with an understanding of the British mentality

ADVERTISING

Why agencies are up in arms about Channel Four

WHEN advertisers and agencies meet executives from Britain's Independent Television companies over the coffee cups next Tuesday, bridge-building may be the first item on the agenda. The advertising world has become increasingly nervous about the shape and form of the new Channel Four, and about its low public profile; "Channel What?" is the commonest gibe at a new service which relatively few people seem to realise is only four months away from launch.

Four main points have been bothering the agencies—the lack of a detailed programme schedule; the likely level of audience that Channel 4 will actually achieve; the way the audience will be researched; and the complex area of rate-cards and the way the channel is being sold.

While there is plenty of goodwill towards the new channel about its expected programme content, unfavourable comparisons are already being made with the way independent television's breakfast television service, TV-AM, is going about launching its service, now due on the air next February.

In particular, the agencies do not yet seem to have given up the fight for a single, centralised selling force for Channel 4, along the lines of TV-AM's. As it is, the new channel is operating a region-by-region system. Its budget is divided among the television companies in the form of subscriptions (in the first year this is confused by set-up borrowings and lowered subs). The companies then attempt to claw back, or exceed, their subscriptions through sales of ads in their own area.

One point which will be opened up next week is the programme schedule. A general programme scheme has been available since February, but a certain amount of flesh will be put on the bones next week—none too soon for some people.

It getting the wrong manager is one recipe for failure then another is underestimating the investment required. "You need to invest on a scale that might feel like a sacrifice," says Allens. Managers like that are hard to find. Lansing found Bruno Kulick. Some foreign ventures in Germany have folded when the boss has left.

"We were very fortunate. We got four key people," says Allens. Among them was a chief designer who had worked once for Jungheinrich and who had a flair for modifying the UK-imported trucks for the local market. Another valuable acquisition was a "top salesman" from another competitor who approached Lansing even before it had started in business.

First comes quality—which means, among other things, engineering at least to German standards. Rotheim does its own machining and welding of vital parts. It also makes the machine tools that its subcontractors will use to fabricate the less sensitive components. It means being familiar with the national technical standards, a barrier that is much easier to surmount, of course, if you are a local manufacturer and one of the club.

Second comes innovation.

Lansing says it was able to offer two novelties when it started up: electronic controls as a standard feature, and a new

drinking at work.

Horsley expects a market share of 3-4 per cent for Channel 4 in its first quarter and says this means "its commercial value will be fairly slight."

But Sue Stoessl believes that the young and the "light (occasional) viewer in particular will tune in very quickly.

The question of audience level ties in very closely with agency doubts over the very varied rates, differentials, packages and deals on offer from the different regional TV companies (known in the business as "contractors"). "They are making it a very tough medium to buy," says Mike Townsend, deputy chairman of Young and Rubicam. "Like all things in selling, the easier it is to buy the better. And they should be selling a new medium whereas in fact they are selling a low cost extension of ITV-1, and sometimes not even low cost. If they do this they will get what they deserve, a straight transfer of money from one channel to the other. Then they will make their setting conditional to make sure sums of money don't switch."

The stated aim, and hope, of the new channel is to encourage different advertisers to take advantage of this general

lower cost way of getting on to TV, and Sue Stoessl hopes that this will still happen. "We would like to see different sorts of advertisers coming in. The image of the channel is formed by all 60 minutes, and we would like to see distinctive advertising giving it a different look."

We also think that in revenue terms it is essential to have new advertisers because the system needs new money, rather than spreading the existing money."

Certainly if new advertisers are not found, the cost of airtime will have to decline, since Channel 4 will increase the available airtime by 40 per cent, while advertising agency estimates suggest that it will only increase total ITV viewing time by 15 per cent.

Accusations of a lack of commitment on behalf of the contractors in selling Channel 4 are met by Sue Stoessl with the statement that things will be different after next week. Then, she says, the contractors will be seriously selling the autumn schedule where up to now they have been occupied with selling the summer.

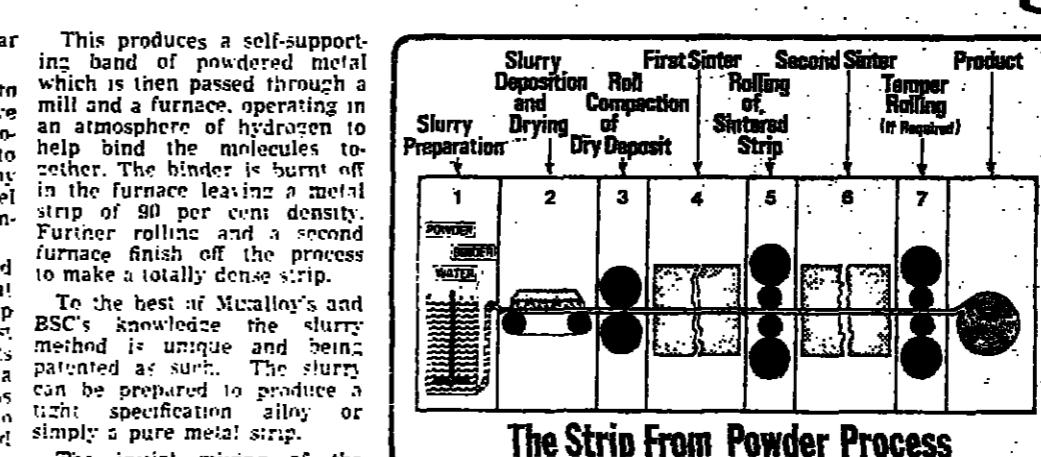
And she in turn attacks the agencies for their much publicised doubts about the ability of the available viewing research to pick up the minority audiences Channel 4 is aiming to attract. "AGB has all the information that could be needed," she says. "People just don't use the BARB data which is available from AGB at present."

She refutes agency suggestions that the BARB (Broadcasters' Audience Research Board) panel is not large enough to give accurate readings of small demographic groups—nationally it covers 2,900 homes—and she promises that Channel 4 will be doing its own work on the BARB figures to help advertisers. "We are having a suite of programmes written to interpret the BARB data," she says, "and we will use the panel much more creatively than it is at present."

But for the moment the doubts remain. "They may be fooled by the fact that some money comes into Channel 4 in the autumn," says Chris Horsley, "but January and February will be the testing time."

Howard Sharman

EDITED BY ALAN CANE



The Strip From Powder Process

From Mixalloy's point of view, the process is also extremely flexible. By changing the slurry mix, it can produce several batches of strip, of widely different physical and chemical specifications, and varying quantities—all in the space of one day.

For the customer who has long been forced to buy a minimum of a tonne of his special alloy

from conventional sources, Mixalloy is able to offer a few hundred grammes at a time, produced economically.

Mixalloy also insists that the process not only gives a thinner strip than is available via hot metal rolling, but also gives a gauge tolerance of 1 per cent—compared with at best 5 per cent by the normal production route.



The Pitney Bowes remote meter resetting system.

ADVERTISING

Why agencies are up in arms

about Channel Four

and funds checks, after which its voice unit will "speak" a reset code number which will allow the combination lock on the meter to be released and a set amount of credit to be added to the postage unused register.

The lock combination is different every time the system is used, to improve security.

Pitney Bowes believes the new meter will encourage further use of what it regards as a beneficial system, emphasising that there are no stamps in the mail room to be lost or "borrowed," letter processing is very rapid, the frank identifies the sender and at the same time gives outgoing mail a more businesslike appearance.

Of the 27m letters that are posted every day in the UK, 46 per cent are franked already. But Pitney Bowes believes there is still much market scope among companies currently using pre-paid postage or simply sticking on stamps.

Pitney Bowes targets for the company will, therefore, be travel and holiday companies, government departments, schools, the retail industry, bank branches and local authorities.

THE ARTS

Museum of Mankind

Antony Thorne

The Museum of Mankind, the British Museum's ethnographical off-spring which occupies a tucked away place in Burlington Gardens, has a particularly strong spread of exhibitions at the moment. The impressive Gold of Asante continues, with its insights into the history of one of the most successful peoples of West Africa, and the Indian influx into London's cultural life this year is represented by the creation of an Indian village, which brings the subcontinent to life with much more force than any number of dances and musicians. Now *Thunderbird and Lightning*, a room devoted to Indian life in Northeastern North America between 1600-1900, is open for investigation.

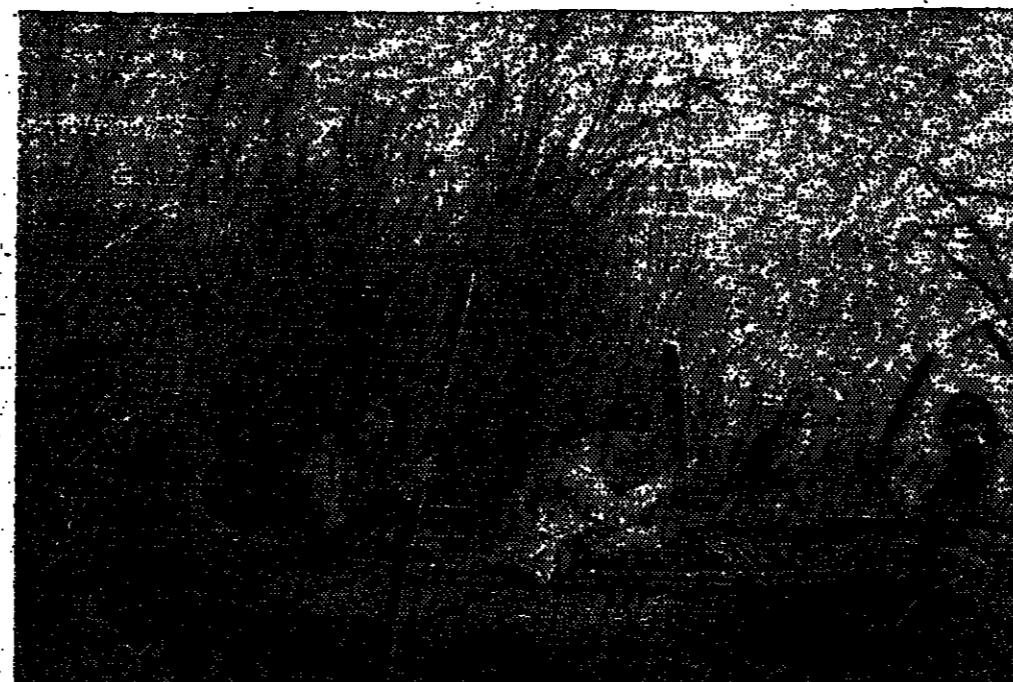
This small display covers a vast subject, both in time and area. The exhibits gathered together represent the items that interested European administrators, soldiers and explorers and may not be typical of the true concerns of the peoples; often the collectors did not document the goods they salvaged.

The exhibition offers an introductory taste to the first North American Indians to have their lives transformed by European settlers. They have not retained the glamour of the Indians of the Plains, who held off the white man until well into the 19th century, but the history of the League of the Iroquois, formed by five tribes in the 16th

century, and the feud, exacerbated by the Europeans desire for furs, between the Iroquois and the Hurons deserve to be remembered.

There are no startling artifacts on show, but numerous examples of excellent craftsmanship, especially in the cradles for children, the skin coats, and the moccasins, which apparently only lasted two weeks before being replaced.

Personal decoration and the development of the False-Face cult are covered as well as the importance of wampum—strings of shells which transmitted messages; white shells in belt form were a sign of peace, purple meant war. There is also a good display of smoking pipes, employed not so much for the pleasure of smoking but to please the spirits. Pipes which were also tomahawks, made in the 19th century, often in England, suggest another side in Indian life, but in the main the vast territory they roamed over, or farmed, kept the tribes in peaceful co-existence. There is a rather scary scalp, but this display concentrates on the domestic crafts and transport, the houses and the religion, of these likeable Indians. *Thunderbird* was one of their spirits of the Upper World in control of fertility and rain; *Lightning* was the blow he struck to the spirits of the Under World.



Women gathering and threshing wild rice from the Thunderbird and Lightning exhibition

Art for the City

Each year about 1,000 trained and talented painters, printmakers and sculptors leave Britain's art colleges, many hoping to make a living from selling their work. It is an increasingly romantic notion. Commercial outlets are declining, the major galleries are committed to their stables of established artists, and newcomers are rarely equipped with the business skills needed to break through.

Traditionally, new artists have had to find a job—a teaching post if they are lucky—relegating their art to a hobby and giving the state a poor return on its investment of up to seven years training.

The problem occupied Keith Patrick one evening last winter as he stood at the window of his Whitechapel flat contemplating his uncertain future as a painter, and the lights of the City.

He thought of the millions of square feet of empty office wall space, the constant stream of office workers passing them and the untapped opportunities for business sponsorship. He conceived City Arts Project, the first of its kind in the 1970s, to provide promising artists with regular income and a wide audience.

The concept should appeal to the Arts Council and the Greater London Council which have both been approached for grant aid, and is in contrast to other ventures which simply supply prints or expensive work by household names. "If David Hockney wanted us to represent him we would have to turn him down," said Patrick. "We are dealing with artists who are going somewhere—not with those who have made it."

Martin Lilley, his partner in the project, described the sort of artist they intend to help.

"They will be in their late 20s or early 30s and will have been through the educational mill, possibly with a master's degree. Despite a lack of formal recognition they will be continuing to paint or sculpt or draw, will be committed to being artists and will regard themselves as professionals. They will have had some work in mixed exhibitions and perhaps even a few one-man shows and they will be breaking new ground."

Patrick, aged 30, a former art teacher, is just finishing a degree course at Camberwell School of Arts and Crafts. Lilley, will be mainly concerned with the administrative side of the business.

The project is run with minimal overheads from studio D5 in the Metropolitan Wharf, Wapping Wall (01-481 4259) and was launched recently at the Metro '82 exhibition of

artists working in the old warehouse. Wapping, with its 300-strong artists' colony and its convenience for the City, is an ideal location, although the partners cast their net wide, attending all final degree shows in London and such exhibitions as the Stowes Trophy and the ICA New Contemporaries in their search for emerging talent.

"The one thing we are not short of in this country is talent," said Patrick. "Britain has probably more artists of international reputation than anywhere else. What is lacking is a visual tradition. In New

York offices they instal the Telex and the IBM and then say 'right guys, what are we going to put on the walls?' Our objective is to generate income for artists by creating a greater degree of visual awareness in companies and corporations to open up a new market."

There is a limited amount of business sponsorship of the visual arts in Britain but it comes mainly from multinationals. Mobil's backing of Painters of the American West at the Mall Galleries, for

example, is an excellent example of the kind of support we need.

It still lags far behind the considerable investment in the performing arts, despite the permanency of pictures and the realisation of all the usual benefits of sponsorship—the boost to company and product image and to customer and employee relations.

City Arts Project clients will be able to lease a work with tax relief, for a weekly fee of 2 per cent of its value on a six- or 12-month basis. There is an option to renew the lease, to lease a new display, or to purchase. The artist who continues to own the work, receives half the leasing fee or 75 per cent of any sales. The pictures are relatively inexpensive, averaging between £200 and £500, compared with those of the 400

artists retained by the major galleries whose commission of at least 40 per cent inflates prices.

"Ours is an alternative system where people can prove themselves without being one of the 400," said Patrick.

"Naturally we hope our artist

will eventually be taken up by the galleries. The value of their work will appreciate and it will make room for us to help others. In investment terms the works we handle will be good buys. If I had some cash I'd start buying them."

The client chooses from colour slides or a comprehensive portfolio of high-quality colour photographs showing the style of each artist. "We will advise on the type of work appropriate to a particular setting," said Lilley. "We will know what the artist has in stock and will also know where to find pieces to meet any special requirement."

"We have selected 50 artists to begin with, because we thought that was the number we would be able to handle, but obviously we are in touch with a lot more." Among the 50 are newcomers such as Catriona O'Sullivan, aged 22, who is still studying at Chelsea, and experienced artists such as John Cope, aged 54, who has been painting in Spain for the past 13 years and who is now teaching at the Central School of Art. Mario Pusky, at 39, is another with international experience, having worked in Rome and New York before coming to London. His work tends towards the abstract but is now returning to figurative. He teaches at the Royal College of Art.

Wapping-based Ken Oliver, aged 35, is beginning to make a considerable impression with his eight-foot square abstracts. His many exhibitions in England include a recent appearance in the John Moore exhibition and a one-man show at the Moira Kelly gallery, Islington.

"We are in touch with architects and interior designers and will work through them with companies who are moving or opening new buildings and with developers—as well as wearing our shop leather taking our portfolio round," said Lilley.

It still lags far behind the considerable investment in the performing arts, despite the permanency of pictures and the realisation of all the usual benefits of sponsorship—the boost to company and product image and to customer and employee relations.

City Arts Project clients will be able to lease a work with tax relief, for a weekly fee of 2 per cent of its value on a six- or 12-month basis. There is an option to renew the lease, to lease a new display, or to purchase. The artist who continues to own the work, receives half the leasing fee or 75 per cent of any sales. The pictures are relatively inexpensive, averaging between £200 and £500, compared with those of the 400

artists retained by the major galleries whose commission of at least 40 per cent inflates prices.

"Ours is an alternative system where people can prove themselves without being one of the 400," said Patrick.

"Naturally we hope our artist

will eventually be taken up by the galleries. The value of their work will appreciate and it will make room for us to help others. In investment terms the works we handle will be good buys. If I had some cash I'd start buying them."

The client chooses from colour slides or a comprehensive portfolio of high-quality colour photographs showing the style of each artist. "We will advise on the type of work appropriate to a particular setting," said Lilley. "We will know what the artist has in stock and will also know where to find pieces to meet any special requirement."

"We have selected 50 artists to begin with, because we thought that was the number we would be able to handle, but obviously we are in touch with a lot more." Among the 50 are newcomers such as Catriona O'Sullivan, aged 22, who is still studying at Chelsea, and experienced artists such as John Cope, aged 54, who has been painting in Spain for the past 13 years and who is now teaching at the Central School of Art. Mario Pusky, at 39, is another with international experience, having worked in Rome and New York before coming to London. His work tends towards the abstract but is now returning to figurative. He teaches at the Royal College of Art.

Wapping-based Ken Oliver, aged 35, is beginning to make a considerable impression with his eight-foot square abstracts. His many exhibitions in England include a recent appearance in the John Moore exhibition and a one-man show at the Moira Kelly gallery, Islington.

"We are in touch with architects and interior designers and will work through them with companies who are moving or opening new buildings and with developers—as well as wearing our shop leather taking our portfolio round," said Lilley.

It still lags far behind the considerable investment in the performing arts, despite the permanency of pictures and the realisation of all the usual benefits of sponsorship—the boost to company and product image and to customer and employee relations.

City Arts Project clients will be able to lease a work with tax relief, for a weekly fee of 2 per cent of its value on a six- or 12-month basis. There is an option to renew the lease, to lease a new display, or to purchase. The artist who continues to own the work, receives half the leasing fee or 75 per cent of any sales. The pictures are relatively inexpensive, averaging between £200 and £500, compared with those of the 400

artists retained by the major galleries whose commission of at least 40 per cent inflates prices.

"Ours is an alternative system where people can prove themselves without being one of the 400," said Patrick.

"Naturally we hope our artist

will eventually be taken up by the galleries. The value of their work will appreciate and it will make room for us to help others. In investment terms the works we handle will be good buys. If I had some cash I'd start buying them."

The client chooses from colour slides or a comprehensive portfolio of high-quality colour photographs showing the style of each artist. "We will advise on the type of work appropriate to a particular setting," said Lilley. "We will know what the artist has in stock and will also know where to find pieces to meet any special requirement."

"We have selected 50 artists to begin with, because we thought that was the number we would be able to handle, but obviously we are in touch with a lot more." Among the 50 are newcomers such as Catriona O'Sullivan, aged 22, who is still studying at Chelsea, and experienced artists such as John Cope, aged 54, who has been painting in Spain for the past 13 years and who is now teaching at the Central School of Art. Mario Pusky, at 39, is another with international experience, having worked in Rome and New York before coming to London. His work tends towards the abstract but is now returning to figurative. He teaches at the Royal College of Art.

Wapping-based Ken Oliver, aged 35, is beginning to make a considerable impression with his eight-foot square abstracts. His many exhibitions in England include a recent appearance in the John Moore exhibition and a one-man show at the Moira Kelly gallery, Islington.

"We are in touch with architects and interior designers and will work through them with companies who are moving or opening new buildings and with developers—as well as wearing our shop leather taking our portfolio round," said Lilley.

It still lags far behind the considerable investment in the performing arts, despite the permanency of pictures and the realisation of all the usual benefits of sponsorship—the boost to company and product image and to customer and employee relations.

City Arts Project clients will be able to lease a work with tax relief, for a weekly fee of 2 per cent of its value on a six- or 12-month basis. There is an option to renew the lease, to lease a new display, or to purchase. The artist who continues to own the work, receives half the leasing fee or 75 per cent of any sales. The pictures are relatively inexpensive, averaging between £200 and £500, compared with those of the 400

artists retained by the major galleries whose commission of at least 40 per cent inflates prices.

"Ours is an alternative system where people can prove themselves without being one of the 400," said Patrick.

"Naturally we hope our artist

will eventually be taken up by the galleries. The value of their work will appreciate and it will make room for us to help others. In investment terms the works we handle will be good buys. If I had some cash I'd start buying them."

The client chooses from colour slides or a comprehensive portfolio of high-quality colour photographs showing the style of each artist. "We will advise on the type of work appropriate to a particular setting," said Lilley. "We will know what the artist has in stock and will also know where to find pieces to meet any special requirement."

"We have selected 50 artists to begin with, because we thought that was the number we would be able to handle, but obviously we are in touch with a lot more." Among the 50 are newcomers such as Catriona O'Sullivan, aged 22, who is still studying at Chelsea, and experienced artists such as John Cope, aged 54, who has been painting in Spain for the past 13 years and who is now teaching at the Central School of Art. Mario Pusky, at 39, is another with international experience, having worked in Rome and New York before coming to London. His work tends towards the abstract but is now returning to figurative. He teaches at the Royal College of Art.

Wapping-based Ken Oliver, aged 35, is beginning to make a considerable impression with his eight-foot square abstracts. His many exhibitions in England include a recent appearance in the John Moore exhibition and a one-man show at the Moira Kelly gallery, Islington.

"We are in touch with architects and interior designers and will work through them with companies who are moving or opening new buildings and with developers—as well as wearing our shop leather taking our portfolio round," said Lilley.

It still lags far behind the considerable investment in the performing arts, despite the permanency of pictures and the realisation of all the usual benefits of sponsorship—the boost to company and product image and to customer and employee relations.

City Arts Project clients will be able to lease a work with tax relief, for a weekly fee of 2 per cent of its value on a six- or 12-month basis. There is an option to renew the lease, to lease a new display, or to purchase. The artist who continues to own the work, receives half the leasing fee or 75 per cent of any sales. The pictures are relatively inexpensive, averaging between £200 and £500, compared with those of the 400

artists retained by the major galleries whose commission of at least 40 per cent inflates prices.

"Ours is an alternative system where people can prove themselves without being one of the 400," said Patrick.

"Naturally we hope our artist

will eventually be taken up by the galleries. The value of their work will appreciate and it will make room for us to help others. In investment terms the works we handle will be good buys. If I had some cash I'd start buying them."

The client chooses from colour slides or a comprehensive portfolio of high-quality colour photographs showing the style of each artist. "We will advise on the type of work appropriate to a particular setting," said Lilley. "We will know what the artist has in stock and will also know where to find pieces to meet any special requirement."

"We have selected 50 artists to begin with, because we thought that was the number we would be able to handle, but obviously we are in touch with a lot more." Among the 50 are newcomers such as Catriona O'Sullivan, aged 22, who is still studying at Chelsea, and experienced artists such as John Cope, aged 54, who has been painting in Spain for the past 13 years and who is now teaching at the Central School of Art. Mario Pusky, at 39, is another with international experience, having worked in Rome and New York before coming to London. His work tends towards the abstract but is now returning to figurative. He teaches at the Royal College of Art.

Wapping-based Ken Oliver, aged 35, is beginning to make a considerable impression with his eight-foot square abstracts. His many exhibitions in England include a recent appearance in the John Moore exhibition and a one-man show at the Moira Kelly gallery, Islington.

"We are in touch with architects and interior designers and will work through them with companies who are moving or opening new buildings and with developers—as well as wearing our shop leather taking our portfolio round," said Lilley.

It still lags far behind the considerable investment in the performing arts, despite the permanency of pictures and the realisation of all the usual benefits of sponsorship—the boost to company and product image and to customer and employee relations.

City Arts Project clients will be able to lease a work with tax relief, for a weekly fee of 2 per cent of its value on a six- or 12-month basis. There is an option to renew the lease, to lease a new display, or to purchase. The artist who continues to own the work, receives half the leasing fee or 75 per cent of any sales. The pictures are relatively inexpensive, averaging between £200 and £500, compared with those of the 400

artists retained by the major galleries whose commission of at least 40 per cent inflates prices.

"Ours is an alternative system where people can prove themselves without being one of the 400," said Patrick.

"Naturally we hope our artist

will eventually be taken up by the galleries. The value of their work will appreciate and it will make room for us to help others. In investment terms the works we handle will be good buys. If I had some cash I'd start buying them."

The client chooses from colour slides or a comprehensive portfolio of high-quality colour photographs showing the style of each artist. "We will advise on the type of work appropriate to a particular setting," said Lilley. "We will know what the artist has in stock and will also know where to find pieces to meet any special requirement."

"We have selected 50 artists to begin with, because we thought that was the number we would be able to handle, but obviously we are in touch with a lot more." Among the 50 are newcomers such as Catriona O'Sullivan, aged 22, who is still studying at Chelsea, and experienced artists such as John Cope, aged 54, who has been painting in Spain for the past 13 years and who is now teaching at the Central School of Art. Mario Pusky, at 39, is another with international experience, having worked in Rome and New York before coming to London. His work tends towards the abstract but is now returning to figurative. He teaches at the Royal College of Art.

Wapping-based Ken Oliver, aged 35, is beginning to make a considerable impression with his eight-foot square abstracts. His many exhibitions in England include a recent appearance in the John Moore exhibition and a one-man show at the Moira Kelly gallery, Islington.

"We are in touch with architects and interior designers and will work through them with companies who are moving or opening new buildings and with developers—as well as wearing our shop leather taking our portfolio round," said Lilley.

It still lags far behind the considerable investment in the performing arts, despite the permanency of pictures and the realisation of all the usual benefits of sponsorship—the boost to company and product image and to customer and employee relations.

City Arts Project clients will be

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 8854871
Telephone: 01-248 8000

Thursday July 15 1982

Mexico's fall from grace

THE ELECTION of Sr Miguel de la Madrid a few days ago to the presidency of Mexico to a six-year term due to start on December 1 is a piece of good news. The character of the man himself and the way in which he was chosen must go some way to relieve the fears about the country's economic future which have been multiplying in the past few months.

Miguel de la Madrid is a man who has had a good deal of experience of the world outside the often claustrophobic and self-absorbed realm of Mexican domestic politics. He has lived and studied in the U.S. and he must know how his country's powerful northern neighbour works better than many of his political colleagues. He is committed to tackling the country's serious social problems; yet his time as a government planner has given him a sense of how far and how fast any Mexican ruler can go in putting his country to rights.

He is pledged to clean up the corruption that is one of the ugliest and most wasteful aspects of Mexican public life. The way in which he was elected on July 4 also offers a glimmer of promise for the political future of Mexico. For more than half a century the all-powerful Party of the Institutional Revolution has grown fat and complacent on the spoils of power.

Confounded

In this year's election the opposition to the PRI was given a chance of expressing itself in a more genuine fashion than in previous polls. The parties of the left did not do as well as expected while the right-wing Party of National Action polled more than 3m votes, or 14 per cent of the total cast, and thus confounded the pundits who had forecast that its support would wither.

Though the Mexican electoral process is very far from being perfect, politics in Mexico are at last showing signs of a much-needed evolution and a capacity to reflect what Mexicans want rather than, as heretofore, what the PRI thought they should want.

During the presidency of the present incumbent, President José López Portillo, Mexico has gone from boom to near bust. The fierce hopes that Mexico could exploit its oil wealth so as to produce sustained growth rates of 10 per cent a year, which President López Portillo

Banks and their hidden reserves

IF MERCHANT banks and other financial institutions are to enjoy continuing exemption from the 1948 Companies Act requirement to show a true and fair view in their annual accounts they will have to put forward a mighty powerful case. That was the tenor of remarks made yesterday by Dr Gerard Vaughan, Minister for Consumer Affairs, on the subject of a draft EEC directive on bank accounts. Dr Vaughan was not enunciating a change in policy, but he was dropping a hint on the direction of the Government's thinking. And that direction is, in our view, a healthy one.

Three arguments are usually put forward in defence of distinguishing true profitability through the maintenance of hidden reserves. First, it is said that a failure to smooth profits would mislead people as to the underlying profitability of the business. Then there is the assertion that disclosure of the real results might adversely affect confidence of both depositors and shareholders. And finally it has been argued that to prohibit the maintenance of hidden reserves would put British banks at a disadvantage to those foreign banks whose regulatory authorities adopt a more relaxed view on disclosure.

Reluctant

The case for smoothing tends to crumble on the basis of a cursory examination of the back pages of this newspaper. Nearly all the discount houses, which are the chief beneficiaries of exemption along with the merchant banks, sport a dividend yield well above the average yield of the all-share index. So, too, do some of Britain's most distinguished merchant banks, though not to the same degree. What that indicates is that the stock market already takes a fairly jaundiced view of the quality of their earnings.

The argument about confidence is more important and has added topicality in the light of the solvency problems that now affect the international banking system. But it is also somewhat academic in the narrow context of the British banking system. The Bank of England has always been reluctant to allow discount houses to go to the wall.

THE gold mine called West Driefontein, 40 miles west of Johannesburg, has been having a dramatic few weeks.

First, the gold price plummeted below \$300 at the end of last month, and there was alarm in downtown Johannesburg.

With that news barely digested, mine managers were shaken again when the black miners in their bachelor compounds at West Driefontein took exception to a 12 per cent pay rise — an attempt by the mining houses to keep down their soaring wage costs at a time of such a weak gold market — and rioted, leaving four killed and a thousand workers dismissed and sent home.

Even before those disturbances had subsided, West Driefontein was facing the threat of a strike by its white miners, along with their black colleagues in the rest of the industry, in protest at a 9 per cent pay offer. Only after the intervention of a senior Cabinet Minister did the Chamber of Mines capitulate, and offer 12 per cent — giving another sharp twist to the rising cost of mining.

Then suddenly last week, the gold price jumped back into the \$340s, and by last night had risen to \$345.50 on the London market. South African headlines are full of ecstatic relief, all the stronger because the recovery has been unexpected. Was Misfeking relieved? Could it be possible that the gold price had bottomed out, after so many months of gloom and pessimism?

Any such hope is undoubtedly premature, but the recovery does offer the prospect of a welcome respite to the likes of West Driefontein, owned by Gold Fields of South Africa (GDSA).

The point about West Driefontein is that it is very rich, and very big, and its working costs are among the lowest in the Republic. It is one of the cluster of mines adjoining Carletonville, named after the GDSA executive who staked his career in the 1930s on his conviction that the Reef extended westwards, and downward, from Johannesburg.

West and East Driefontein, which are coupled in the Gold Fields of South Africa accounts as Driefontein Consolidated, together produce more than one-and-a-half times as much gold as any other country in the world, excluding the Soviet Union — and they are only two mines in a country which produces about 650 tons a year, nearly 70 per cent of the free world total. Yet even here, in this most-favoured example, the latest figures illustrate the difficulties of South Africa's most important industry: the other mining houses will be announcing their quarterly figures in the course of this month, and some of them are going to make alarming reading, even if the gold price manages to hold its latest revival.

For the sake of the visitor from Mars, the gold price peaked at \$350 in January 1980. Its descent since then has been remarkable and scarcely stayed by the sort of Middle East war and South Atlantic venture which once upon a time could be relied upon to put the market in a frenzy. The average price in 1981 had come back to \$458. So far this year it has been averaging \$345. On June 31 it touched \$336.75.

The detail of all this deeply preoccupies South Africans for reasons that unite the (largely English) mining houses and the Afrikaner National Party Government: gold is the engine of South African prosperity, and the overwhelmingly largest source of tax revenue for the state exchequer.

Some of the troubles that

have been afflicting West Driefontein are probably ended: the black riots were large enough to be significant but they do not seem to have been inspired by a more political reason than that some men were unhappy about the pay award.

When the revenue price was falling from \$371 to \$333, the mine was getting \$358 per ounce — compared with the previous quarter's \$366, a much less difficult handicap for management than might at first appear.

At the industry wide level, the average cost of producing an ounce of gold in 1976

was \$64 in 1981 it had risen

to \$178.

So if and when gold next

drops through the psychological barrier of \$300, the South Africans will check their exchange rates before they despair.

The Rand is worth around 87 U.S. cents, was worth \$1.04 on January 1, and \$1.35 in January 1981.

But of course, West Driefontein is untypical, as this month's quarterly figures are going to show.

Consider the March quarter figures of a very weak producer: West Rand Consolidated

achieved only 1.52 grammes per

ton milled compared with West Driefontein's 14.17, working

costs were running at \$17.63

per kilogramme of gold (say, \$546 per ounce).

There is no way the exchange rate can save

West Rand Consolidated, and last month the owners

announced that Government

assistance was to be withdrawn.

3,400 men were to be laid off,

and it can be assumed that the

mine will die, barring a dramatic recovery in the gold

price.

West Rand Consolidated and

West Driefontein are two extremes. Between them lie

another 32 members of the

Chamber of Mines, suffering

various degrees of anxiety.

The figures make the point

very quickly. In West Driefontein, one of the best operations,

the latest quarterly figures for

April-June show that at a time

when the revenue price was

falling from \$371 to \$333, the

mine was getting \$358 per

ounce — compared with the

previous quarter's \$366, a much

less difficult handicap for man-

agement than might at first

appear.

The figures make the point

very quickly. In West Driefontein, one of the best operations,

the latest quarterly figures for

April-June show that at a time

when the revenue price was

falling from \$371 to \$333, the

mine was getting \$358 per

ounce — compared with the

previous quarter's \$366, a much

less difficult handicap for man-

agement than might at first

appear.

The figures make the point

very quickly. In West Driefontein, one of the best operations,

the latest quarterly figures for

April-June show that at a time

when the revenue price was

falling from \$371 to \$333, the

mine was getting \$358 per

ounce — compared with the

previous quarter's \$366, a much

less difficult handicap for man-

agement than might at first

appear.

The figures make the point

very quickly. In West Driefontein, one of the best operations,

the latest quarterly figures for

April-June show that at a time

when the revenue price was

falling from \$371 to \$333, the

mine was getting \$358 per

ounce — compared with the

previous quarter's \$366, a much

less difficult handicap for man-

agement than might at first

appear.

The figures make the point

very quickly. In West Driefontein, one of the best operations,

the latest quarterly figures for

April-June show that at a time

when the revenue price was

falling from \$371 to \$333, the

mine was getting \$358 per

ounce — compared with the

previous quarter's \$366, a much

less difficult handicap for man-

agement than might at first

appear.

The figures make the point

very quickly. In West Driefontein, one of the best operations,

the latest quarterly figures for

April-June show that at a time

when the revenue price was

falling from \$371 to \$333, the

mine was getting \$358 per

ounce — compared with the

previous quarter's \$366, a much

less difficult handicap for man-

agement than might at first

appear.

The figures make the point

very quickly. In West Driefontein, one of the best operations,

the latest quarterly figures for

April-June show that at a time

when the revenue price was

falling from \$371 to \$333, the

mine was getting \$358 per

ounce — compared with the

previous quarter's \$366, a much

less difficult handicap for man-

agement than might at first

appear.

The figures make the point

very quickly. In West Driefontein, one of the best operations,

the latest quarterly figures for

April-June show that at a time

when the revenue price was

ECONOMIC VIEWPOINT

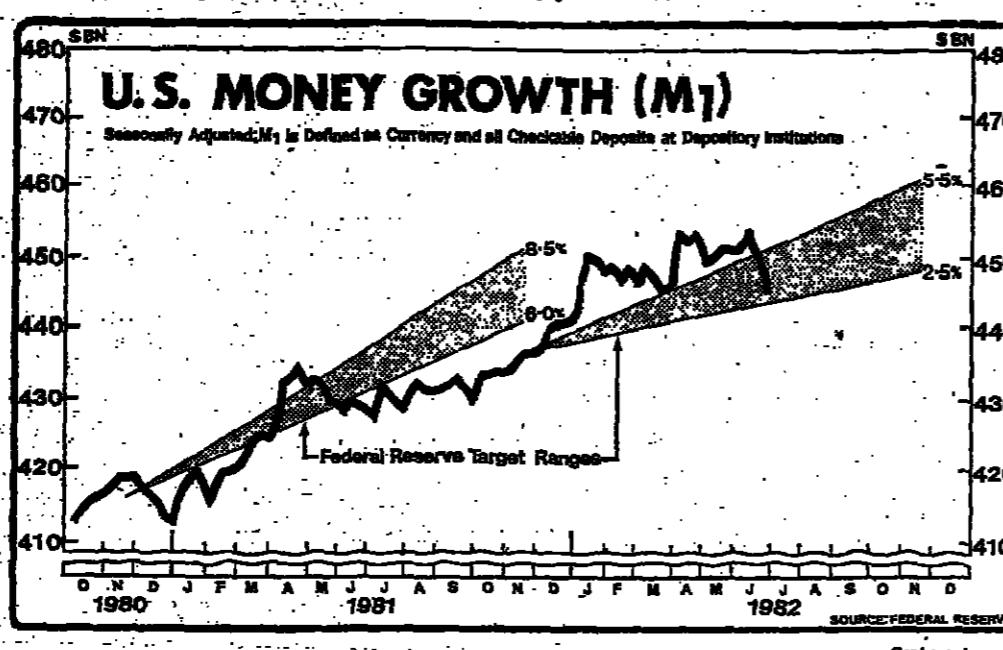
New signals from the Fed

By Samuel Brittan

ONCE UPON A TIME it was useful to look at what was going on in the U.S. as a guide to what was likely to happen in the UK a few years later. Nowadays the reverse is often true. What happens in Britain will sooner or later turn up in America as well.

For two whole years, 1980-81 and 1981-82, the British money supply was running well ahead of the official target. Yet there were all the signs—good and bad—ranging from a high exchange rate to domestic recession, of very tight money. The Government eventually tolerated a monetary overshoot and left it to the Budget Red Book to explain away technically what it was doing and to show how the "thrust" of monetary policy was unimpeded.

Now a similar phenomenon has occurred in the U.S. In 1981 and the first half of 1982 monetary targets have been observed. But there is strong evidence that the monetary squeeze is tighter than intended. Real interest rates, both short and long, are around 8 per cent. The second dip in the W-shaped recession of 1980-82 has lasted longer and gone deeper than expected; but inflation has fallen faster and the dollar has risen higher. Although an upturn has probably started, it looks much milder than the Administration originally hoped to see. According to one authority



have on their hands.

Indeed, the signs that not all U.S. banks are exactly in the pink of condition have probably had more impact on the Fed's gut reactions than all the other economic indicators put together. The Fed's "special responsibility" for the banking system is helping to tilt the balance towards recession.

We still do not know what

happened at last week's meeting of the Federal Reserve Open Market Committee; but money market movements suggest that a very limited easing has already begun. More clues will come next Tuesday when Mr Paul Volcker, the Fed chairman, appears before a Congressional committee, to state monetary objectives for the remainder of this year and provisional ones for 1983.

There is also a political consideration. The Fed has been deliberately erring on the right side in its monetary policy because of alarm at the prospects for the Budget deficit. It has wanted to demonstrate that it will not bail out Congress and the Administration from the effects of their fiscal irresponsibility. It has not merely used tight money to offset fiscal laxity, but to more than offset it. In other words, it has produced a monetary-fiscal mix different from what it really considered optimal, as an incentive to the politicians

to mend their ways. One British observer has likened it to a game of "chicken" in which the Fed threatens to drive off the cliff unless the politicians step back first.

For the time being, this game is over. The Congressional resolution calling for a \$10bn deficit in fiscal 1982-83 is based on an over-optimistic growth assessment.

Even the Congressional Budget Office's estimate of \$130bn is based on outdated economic projections. An authoritative New York recalculations based on the consensus of current economic forecasts, and incorporating detailed item-by-item analysis, suggests an outcome around \$160bn to \$170bn. If one adds "off-budget" expenditures of around \$20bn, total Federal borrowing would be not all that far short of \$200bn. All the same, there is little more pressure that the Fed can exert on Congress before the November election.

It would be surprising if Mr Volcker announced an abandonment or upward revision of the 1982 target growth range for M1 (currency plus all checkable deposits) of 2½ to 5½ per cent. But he is likely to express studied unconcern about any temporary bulge in the money supply this month due to the pattern of social security payments, just as he rode over

earlier bulges. He may also hint that a breach of the 5½ per cent line may be tolerable for longer in some circumstances. For instance, the whole of this year's growth in M1 appears to have come from the shift of small savings deposits, which are not included in M1 into NOW accounts (negotiable orders of withdrawal) which are. These and other changes mean that the velocity is growing by very much less than the 3-4 per cent average on which the monetary target is based.

Some U.S. economic advisers

who belong to the "technical" or "narrow" monetarist school

go out of their way to downgrade the importance of institutional change by saying that the velocity has been more stable in recent years than in the 1950s when the pace of financial innovation was much less.

But having learned from Milton Friedman that facts do not speak for themselves without a theory, I will not be satisfied with such statistical studies until the technical monetarists explain why institutional changes (some of them produced by the Fed's efforts to control monetary growth) do not matter.

It is anyone's guess whether the new signals from the Fed will lead to an enduring downward shift in interest rates, or whether they will boomerang

and lead to a perverse interest rate rise because people will think that the Fed is giving up in the battle against inflation.

The factor to turn the scales towards lower rates may well be the more critical attitude of U.S. banks to borrowers which should reduce the effective demand for loans, following the discovery of a shade below the prevailing range.

(The Bank of England end of

"the authorities" has, from the start of floating, been more worried about unseemly speed of movement than the actual level of the exchange rate.)

Nobody is going to repeat the error of 1976 and attempt to knock sterling deliberately. It is more a matter of taking a

The recent crop of

bad debts may

turn the scales

slight risk on the downward side in interest rate changes. Moreover, if such a move is decided, British policymakers will try to minimise the exchange rate risks by acting in concert with other European countries in particular Germany.

Leaving aside my own preferences for fiscal action, there is not an enormous amount to object to in what is either being done or envisaged on either side of the Atlantic, except an all-important lack of coherence. True coherence is not mere public relations. It is a matter of making clear the policy regime in operation and creating a stable climate of expectations about likely official reactions to events in the mind of market participants—all the way from trade union leaders to foreign currency speculators.

My own suggestions have been a stress on Money GDP as a goal of policy which would leave a good deal of discretion to the monetary technicians on how to deliver the goal—and an allowance for fluctuating international demand for different currencies in deciding intermediate objectives such as monetary targets.

There may be other ways of introducing coherence; but the state of the world economy is not a good advertisement for what my colleague Lex calls steering by "the seat of top people's pants."

THE GOVERNMENT is now studying the two-volume, 330-page report of the Megaw inquiry into the pay of Britain's 530,000 white-collar civil servants. After 12 months of deliberation, examining 250 separate pieces of evidence, the inquiry has come up with a sophisticated new system for determining Civil Service pay which will reflect more closely both market forces and management needs.

The Megaw proposals are designed to replace the old comparability-based Pay Research system, which has been used to fix Civil Service pay since 1958. Hidden away in the report—and virtually ignored by the inquiry—are some figures, though, which prompt the question: why replace it at all?

One of the central tenets of the report of the Priestley royal commission which set up the old Pay Research system was the need to keep Civil Service pay out of politics. Successive governments have never been able to do this—partly because of the sheer cost of Civil Service pay (currently running at £4.5bn) and partly because of its exhortatory value as an example to other bargaining groups. The present UK Government's approach is no different.

Politically, comparability is anathema to the Prime Minister. Once the Clegg comparability commission had gone, the abolition of the Pay Research system could not be far behind.

Antipathy

The thrust of the Government's antipathy towards the Pay Research system was that it had "lost credibility" in the eyes of the Civil Service and the public because in practice it had not worked well in recent years.

To support this bald political

drive, the Treasury submitted to the Megaw inquiry a paper on Civil Service pay trends which suggested civil servants' pay now is 5 per cent better than the pay of the private sector, compared to their relative positions in 1970.

Even the Megaw report notes that it "attracted considerable criticism for its choice of material, for its methods of analysis, and on more specific

technical grounds." This is polite Whitehall language for what even some in the Treasury now privately admit was an attempt to fiddle the facts.

The Megaw report, in its weighty statistical appendices, contains two studies which put the real position. The fact that the studies' principal authors—Professor Richard Layard of the LSE and Mr R. F. Elliott of Aberdeen University—are no friends of the Pay Research system only reinforces their arguments.

Both studies conclude there was little perceptible relative change in Civil Service pay between Priestley in 1958 and 1970. From 1970-1980, Layard concludes the Civil Service was up 1 per cent in front, and Elliott 1 per cent—but both acknowledge a calculated margin of error of 2 per cent on either side of these figures. Indeed, in 1981 they agree there was probably a relative decline in Civil Service pay.

Even Megaw argues that the Treasury's paper was based on a distorted statistical base; if account is taken of this, the Treasury's 5 per cent lead figure "disappears."

In step

Faced with all this, Megaw concludes that "movements in overall civil service earnings appear to be very broadly in step with movements in private sector earnings in the period 1956-1981"—but then goes on completely to ignore this crucial conclusion.

In other words, the despised Pay Research system actually did the job it was supposed to do: keep Civil Service pay broadly in line with pay outside the Service. The "damage to its credibility" and loss of confidence alleged by the Government is shown for what it actually was: backbench political gut feeling, and ill-informed Fleet Street editorial attacks.

A government, like any management, has every right to manage—for a government, to take a political decision on an issue within its managerial control. But if governments manipulate the facts to justify a political decision, it is only right that, as in this case, they are found out.

Letters to the Editor

SSAP 16 voting disclosure

From the Secretary, the Institute of Chartered Accountants in England and Wales

Sir—I refer to Mr Baynes' letter in today's issue (July 13) questioning the disclosure by the ICACW of votes cast in any poll of members before the poll is closed.

May I make it clear that this matter was formally considered by the council at its April 1978 meeting. The council decided that in any future poll of members the total number of votes cast and the pattern of voting should be made available to any inquirer on a daily basis. This decision was the subject

The rebels

hit back

From Mr P. R. W. Whyman

Sir—Bill Buff (chairman of British Metal Basters and Arthur Fudge's boss) told me, after reading "The rebels hit back" (July 10), "Arthur was very loyal to the board. Far from there being no questions asked when the CCA statement was put to the board for approval, there were howls of protest. The directors are very touchy about where their duties begin and end. Their regard decisions about how financial gains should be dealt with as their prerogative. They think that the gains/losses partially covered by the so-called Monetary Working Capital Adjustment and the Gearing Adjustment are matters to be decided by the board and not according to a formula."

"And, by the way," he added, "I am always suspicious of adjustments in accounts. Either you don't know what is being hidden from whom or the chap who prepared the statement couldn't be bothered to find an accurate description to attach to the figures."

P. R. W. Whyman
Aler House
Chapel Allerton
Arbridge, Somerset

Blinkered perception

From E. R. Turtur
Sir—if the CCA rebels (Feature July 10) really have much in common with the imaginary Arthur Fudge, Finance Director of British Metal Basters, and David Backwood, a sole practitioner, then their victory would be disastrous both for the future of the profession as well as for British industry.

Fudge is clearly out of touch with recent developments. He has not heard of Keymer and Iffland before so presumably

By any other name

From Mr D. J. Fenn

Sir—CCA, CPP and SSAP are abbreviations for Confused Chartered Accountants, Clever Professional People and Steer Simpleton's Assets to Partners and cause controversy every four years like the World Cup and the Olympic Games.

I recall that in 1978 that there was criticism of Nationalised Energy Industry accounting through your columns culminating in a Select Committee report which stated that the effect of British Gas, using supplementary depreciation to take account of inflation in 1976-77, was to reduce its reported Net Profits by 76.5 per cent. It would be most interesting to know by how much the latest Net Profit

together on an action plan for a campaign that will gain the support of this government, which was elected on a platform of defeating inflation.

Slide into anarchy

From Sir Frank Price

Sir—I would like to add my support to Sir Hector Laing's letter of July 5. For some years now I have used every appropriate occasion to express the fears I have that we are ignoring at our peril the very real dangers that now exist to our system of government.

Again the "decapitation" of the PLO (albeit under the relatively moderate leadership of Yassir Arafat) is only implausible because apparently there are too many Palestinians.

What are objective people to think of this type of comment? Is there to be no analysis of the gratuitous bloodshed in the Lebanon other than that of political expediency or opportunism to the best advantage of Israel? It is not hard to imagine what the reactions of shock and horror would be if an Arab country had invaded Israel and perpetrated similar outrages upon the Israelis. So why the double standard? It must be about time the media took a deep breath and stop patronising its readers.

E. R. Turtur
31 Fens Way, Herstal, Kent

Back to the

Gold Standard

From Mr Douglas Mackay

Sir—I note the comments in Mr Colling's letter published today (July 5) but remain unconvincing. We need to go back to the gold standard because gold is the best and most obvious base and has worked in the past.

People the world over believe in gold, from French peasants to buyers of Krugerrands to buyers of gold jewellery as an investment.

The workings are capable of being understood by laymen and difficult for an intrusive officialdom to machine.

It is feasible for Great Britain

to adopt the gold standard quickly and unilaterally, within the timespan I suggested originally, by January 1985, the start of the second half of this decade.

I hope this approach will not degenerate into a mere debate. I invite you and your distinguished economic correspondents Samuel Brittan, Anthony Harris, Max Wilkinson (and Michael Dixon, whose lateral thinking prompted this approach) to put their heads

has been reduced. It is freely admitted that the accountancy profession give unqualified Audit Reports to organisations whose accounts are not prepared on an historic basis so how can like be compared with like.

By all means let inflation be taken account of but only as notes to historic figures so that discerning shareholders, investors and the simpletons can see the effect of the different produced by comparison.

Not many people praise the Inland Revenue but at least they are not taken in by the gobbledegook.

D. J. Fenn
8 Cole Park Road, Twickenham, Middlesex

Lebanon

Lebanon ("war is not a path to peace") enables you to feel that a fine sense of balance is struck.

Thus "horrifying" civilian casualties would, incredibly, be a price worth paying if only it was "plausible" in terms of "realpolitik."

Again the "decapitation" of the PLO (albeit under the relatively moderate leadership of Yassir Arafat) is only implausible because apparently there are too many Palestinians.

What are objective people to think of this type of comment?

Is there to be no analysis of the gratuitous bloodshed in the Lebanon other than that of political expediency or opportunism to the best advantage of Israel?

It is not hard to imagine what the reactions of shock and horror would be if an Arab country had invaded Israel and perpetrated similar outrages upon the Israelis. So why the double standard?

It must be about time the media took a deep breath and stop patronising its readers.

Stephen Block
15 Oakhill Road, SW16

A matter of style

From Mr W. L. Kent

Sir—Some style themselves PLC and others plc.

Surely there is a case for standardisation in favour of PLC. So far as I am aware no organisation ever put co ltd after its name, so why go for plc? Surely it can only be a sad case of inferiority complex because it certainly isn't humility. Maybe its because they resent the sec!

W. L. Kent
8, Dallow Green Road, Appleton, Warrington

Realpolitik

From Mr Stephen Block

Sir—Doubtless your editorial's tentative examination of Israel's invasion of the sec!

IT 3000 Perfecto

Lebanon ("war is not a path to peace") enables you to feel that a fine sense of balance is struck.

Thus "horrifying" civilian casualties would, incredibly, be a price worth paying if only it was "plausible" in terms of "realpolitik."

Again the "decapitation" of the PLO (albeit under the relatively moderate leadership of Yassir Arafat) is only implausible because apparently there are too many Palestinians.

What are objective people to think of this type of comment?

Is there to be no analysis of the gratuitous bloodshed in the Lebanon other than that of political expediency or opportunism to the best advantage of Israel?

Exceptional credit lifts Graig profit over £2.7m

AN EXCEPTIONAL credit of £1.33m boosted taxable profits of the Graig Shipping Company to £2.74m for the year to March 31, 1982, compared with £933,000 last time.

The credit comprised £1.44m exchange profits and write-down of listed investments of £104,000. Interim results were well ahead from £651,234 to £2.01m, including exchange profits of £1.14m.

The dividend total is stepped up from 25p to 30p, with a final of 20p (15p). Earnings per £1 share are shown to have risen to 376.58p, against 241.22p.

Comment

For the time being Graig Shipping might be more aptly named "Graig Investment". The £1.33m exceptional credit came as a result of selling the m/v Garthnewydd for \$18.5m when the dollar sterling rate was \$2.32m, and taking a 10 per cent profit when the rate had fallen to \$2.064. Of the remaining £1.44m profits, all and then some seem to have come from investing a \$20m portfolio in the international money markets. Onshore oil exploration costs were up sevenfold at about £225,000, and with drilling set to begin before the end of 1982, the figure this year is likely to be around £800,000. Net asset value is about £22 per share, and with the shares at £24 unchanged, that is neither exciting for a shipping stock and positively discouraging as an investment choice. Mean while the shares yield under 2 per cent, and there is no longer the speculative interest of Cluff Oil's former 8 per cent stake. But Graig's aim is still to use its money to go back into shipping as soon as freight rates start to show signs of recovery—which is most unlikely before 1983.

SPAIN	Price	Change
July 14		
Banco Bilbao	100	-4
Banco Central	244	-2
Banco Espanol	218	-3
Banco Hispano	281	-3
Banco Ind. Cat.	107	-1
Banco Sabadell	158	-2
Banco Vizcaya	312	-1
Banco Zaragoza	233	-1
Dragados	100	+5
Espanola Zinc	90	-1
Fersa	51.5	+0.3
Gal. Minas	26	-1
Hidrosl	56	+0.3
Iberduero	44.2	+0.2
Peninsular	73	+2.8
Segafredo	5.50	-1.8
Telefonica	65	+1.8
Union Ener.	54.2	+0.2

This notice appears as a matter of record

MANCHESTER EXCHANGE TRUST LIMITED

in association with

PHILLIPS & DREW

Members of the Stock Exchange

have placed £5 million of the undermentioned Bonds with Corporate and Institutional clients

ABBEY NATIONAL BUILDING SOCIETY

ABBEY NATIONAL BUILDING SOCIETY NEGOTIABLE BONDS

Issue date: 14th July 1982

Repayable at par: 30th July 1983

Interest payable: 20th July 1982, at an effective gross rate of 13% per cent per annum

Abbey National Building Society
27 Bay Street
London W1M 2AA
Manchester Exchange Trust
Penicuik House, 25 Mayfield Road, Edinburgh EH11 1LY



ICC Oil Services hits target of £0.3m

THE HULL-BASED ship and oil rig cleaning contractor, ICC Oil Services, has turned in pre-tax profits of £307,000 for the year ended March 31, 1982, which is in line with the forecast of less than £300,000 made in June at the time of the company's entry to the unlisted securities market. The previous year's taxable surplus was £209,000.

The current year's prospects are bright, with Mr R. Smith, the chairman, confident that the company will achieve a significant increase in turnover and profits in the period. Turnover for the 1981-82 year rose by 10.4% to £2.2m.

Mr Smith says the board is encouraged by the initial results of the first three months of the current year. These show a substantial increase in turnover compared with the corresponding period of last year and are mainly because of additional offshore oil rig contracts.

A nominal dividend of 0.01p per share is being recommended at the annual general meeting. The board had previously stated its intention to start dividend payments as soon as practicable. It explains however, that in considering the year's distribution, regard has been had to the necessity of eliminating the deficiency on the revenue reserves of the company, arising from the old business of Rollo Tea Estates of Ceylon.

At the interim stage, the company reported a rise of £49,053 to £165,491 in pre-tax profits.

Comment

ORDER BOOKS at GEI International at March 31, 1982, were at their highest level since 1980 and 21 per cent higher than a year earlier, says Mr Thomas Kenny, chairman, in his annual statement with the full accounts.

All divisions of the group were profitable during the year ended March 31, leading to pre-tax profits ahead from £3.1m to £3.45m.

This result reflected a strong second half, with profits up 24 per cent on setting a first half downturn of 52 per cent. Turnover in 1981-82 amounted to £54.7m (£55.32m), including exports of £8.8m (£9.28m). The exports went to Africa 24 per cent, Americas 21 per cent, Asia 2 per cent, Australasia 4 per cent, Europe 47 per cent and Middle East 2 per cent.

The chairman says that "for us but not for everyone in the engineering sector trading conditions and profits are getting better."

An analysis of the pre-tax profit by divisions shows (£'000s): Midland Steel Products £1,083 (£1,042), Midland Bright £97 (£226), Special Products £191 (£312), Packaging Machinery £1,193 (£481), SK Holdings £1,130 (£1,004), less head office expenses £551 (£355).

Within the Midland Steel Products division the steel stamping market both at home and overseas continued to be

buoyant.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment. Authorisations for capital expenditure now outstanding are £1.3m; this will increase as the year goes on, says the chairman.

Meeting Savoy Hotel, W.C. August 6 at noon.

Net cash balances were £5.61m (£5.96m). These have been maintained after spending almost £2m on new plant and equipment.



HIGHLIGHTS FROM 1981 ANNUAL REPORT

The final balance sheet for Farmitalia Carlo Erba, the pharmaceutical Group, shows that 1981 was a banner year.

Consolidated sales reached \$ 556 million, compared with \$ 452 million for 1980. Profits exceeded \$ 27 against \$ 19 million the year before.

The Farmitalia Carlo Erba Group, besides pharmaceuticals, is also active in veterinary products, chemical analysis, and analytical and biomedical instrumentation.

For pharmaceuticals, the Group is represented in all the more important countries either by Subsidiaries or Scientific Offices.

Production is handled by 20 plants, 10 of which are abroad, principally for pharmaceuticals. Employees exceed 10,000 for the Group, 6,000 of whom work in the Company headquarters.

Research and development constitutes a heavy commitment, last year accounting for more than 1500 employees, at \$ 3 million.

Pharmaceutical research is also reflected by more than 1000 patent applications, of which 436 have been granted, with more than 3900 international extensions.

Some 30 new products are still in the research phase. Farmitalia Carlo Erba has an outstanding world position in research on drugs for tumor therapy.

Scrip is a highly respected publication specialising in the pharmaceutical field. They publish an annual ranking of world pharmaceutical companies based upon the number of experimental products under development. Farmitalia Carlo Erba climbs from 35th in 1980 to 25th in 1981.

Looking to the future, the Group's strategy anticipates an increased development, both from improvements in current activities and through acquisitions. While pharmaceuticals remain the primary interest, Farmitalia Carlo Erba intend to reinforce its instrumentation, diagnostic and veterinarian operations, areas of long standing success for company affiliates.

Noranda loses more in the second quarter

BY KENNETH MARSTON, MINING EDITOR

HIT BY low metal prices and a recession in its industrial products and pulp and paper operations, Canada's giant Noranda Mines reports an increased second-quarter loss of \$57.1m (£25.9m), equal to 56 cents per share.

It makes a half-year loss of \$75.5m, or 79 cents per share. This compares with net profit of \$58.5m, or \$31.75 per share, in the same period of 1981 which included a non-recurring gain of \$57.5m.

The quarterly dividend, payable on September 15, has been halved to 12.5 cents. Noranda says: "Strikes at

Canadian Copper Refiners and Canadian Electrolytic Zinc worsened an already bad situation. Fabricating operations also produced a loss, with aluminium markets severely depressed and markets for wire and cable continuing to deteriorate."

In forest products, lumber markets remained dead, while markets for other products softened significantly. In the circumstances it is fortunate that Noranda entered 1982 in strong financial condition, but the need for drastic cost control and cash conservation measures is obvious.

"Capital spending will remain high in 1982 due to the need to complete capital projects begun earlier, but will be substantially reduced in subsequent years. Projections indicate that Noranda will emerge from 1982 in a satisfactory condition."

Canadian investment analysts disagree about the company's near term prospects, recent estimates for 1982 having ranged from a profit of 20 cents per share to a loss of one dollar. However, all expect Noranda to be back in profit again next year although earnings forecasts are wide open with a range of between 75 cents and 300 cents per share.

Marley in £2.2m U.S. plastics expansion

BY RAY MAUGHAN

MARLEY, through its wholly-owned U.S. subsidiary Marley Plastics (USA), has acquired Klein Plastic Products, a privately-owned company engaged in manufacture and sale of plastic goods.

Consideration is \$3.75m (£2.2m) payable over three years. Klein, whose main plant is at Baraboo, Wisconsin, has a record of sound sales and profits growth. In 1981/82 turnover exceeded \$31m.

BPCC'S STAKE IN BEMROSE OVER 19%

British Printing and Communication Corporation (BPCC) maintained its steady build-up of shares in Bemrose Corporation, which is subject to a £1.8m bid from Bemzul.

Yesterday BPCC announced the purchase of a further 100,000 Bemrose shares at 145p, taking its holding to 2.15m or 19.08 per cent of the equity. The bid from Bemzul, which has so far bought 13.8 per cent of Bemrose, expired yesterday.

The statement added that the Commission itself finally defines its position about Bemzul's bid.

The Commission's position is reserved and that if Bemzul took any action in the meantime, it should do so in the knowledge of that fact."

The statement added that the Commission's position is clear to Bemzul that until the Commission itself finally defines its position about Bemzul's bid.

The Commission's position is reserved and that if Bemzul took any action in the meantime, it should do so in the knowledge of that fact."

In a letter delivered on Tuesday by hand to Mr. O. De Vos, head of the corporate combination and steel division of the competition directorate, Bemzul said that it is very much regretted if the Commission is satisfied that Bemzul did not give advance notice of the conditional agreement for the purchase of the shares in British Sugar held by Banks, Hovis McDougall."

The commodity group stressed that "at the meeting with the Commission's services held on April 27, Bemzul stated quite specifically that it must reserve the right, in the interests of its shareholders, to take action to consolidate control of British Sugar if the opportunity arose."

"Bemzul did not think it right that Bemzul could effectively be prevented, for an indefinite period, from taking any action whatsoever while British Sugar remained free, as a result of having filed a much delayed and (as Bemzul believes) unfounded complaint."

Another hand-delivered letter will "crystallise" by the end of the week, but, by that point, Bemzul expects to have despatched its formal offer of 470p cash per share and an equity alternative.

to Mr De Vos yesterday acknowledged that another member of the competition directorate, Mr. Benini, had indicated to Bemzul that "he that the commission's services had been surprised and upset that Bemzul had taken the step without advising the commission to advise."

"Having regard to the history of the matter," Bemzul went on, "we were very surprised by that reaction on Mr Benini's part." The commodity trader emphasised that even since the conditional agreement with RHM was announced last Friday the Commission had not given any warning about proceeding with its consent."

For its part, representatives of British Sugar met members of the directorate on Monday to discuss new evidence produced by the beet sugar producer and the third party which British Sugar hopes will persuade the commission to force Bemzul to divest a large part of its existing 40.02 per cent stake.

In the meantime, British Sugar has begun a series of meetings with the Takeover Panel objecting to the manner in which the conditional agreement for the purchase of a 10.5 per cent holding from RHM stands to give Bemzul majority control. British Sugar expects that its inquiries on one or two points will "crystallise" by the end of the week, but, by that point, Bemzul expects to have despatched its formal offer of 470p cash per share and an equity alternative.

SOTHEBY DISPOSAL

The Earl of Westmorland, director of Sotheby Park Barnet, the auctioneer, sold 20,000 shares in the group on July 12, leaving his holding at 130,000 shares. Mr. P. J. Spira, Sotheby's finance director, sold 2,000 shares, leaving his holding at 14,000 shares.

Sotheby's is planning to dispose of one of its salerooms in Chester, and not two, as stated in yesterday's paper.

Hampton Areas wins through

WHILE the mining majors continue to suffer from the effects of world recession, cheerful news comes from one of their smaller brethren, the UK-registered Hampton Gold Mining Areas.

The promise held out in the last year has been fulfilled by a doubled full year's net profit of £1.85m for the 12 months to March 31 compared with £950,000 in the previous financial year.

Shareholders get a final divi-

deed of 2.25p to make 3p for the year—out of earnings of 13.68p per share—compared with 2.5p for 1980-81.

Major factors in the good performance include record royalties paid by Western Mining for nickel production carried out at Hampton Areas' ground in Western Australia which is mined as part of Western Mining's Kambalda operations.

During the past 12 months Western Mining increased its mining in this area and Hampton

Areas has also enjoyed a favourable exchange rate in converting the Australian royalty receipts into sterling.

Investment income has been boosted by high interest rates while a useful profit has been made on the sale of the investments in Paritaga and Cornwall's Geevor Tin.

In the UK, the Great Row colliery increased its profits but the Wulver mining machinery subsidiary did less well because of lower purchases of equipment from the National Coal Board and this accounts for the reduction in the latest turnover of Hampton Areas.

By any standards the latest results of Hampton Areas can be considered good in the current economic climate. The company will thus do well to maintain them in the current year.

But it has a fighting chance with the first contribution from its recent U.S. expansion and the hope of uninterrupted production at Great Row, this may depend upon Mr Arthur Scargill—and a possible improvement in nickel prices.

1982 1981

	2000	2000
Turnover	8,000	8,000
Operating profits	1,445	1,280
Administrative costs	1,125	1,070
Expenditure costs	485	365
Surplus on exchanges	227	142
Profit before tax and extraordinary items	2,010	1,842
Taxation	1,059	952
Profit after tax and before extraordinary items	1,951	890
Attributable	1,849	950
Retained profits	1,429	1,429
Earnings per share	13.68p	7.65p

Steady progress at Ashton gem venture

THE LATEST quarterly report from CRA on the Ashton joint venture diamond project in Western Australia tells of steady progress towards the first limited commercial production from the Argyle alluvial diamond deposits.

This is expected within a few months' time but it is pointed out that commencement of commercial production is subject to Western Australian Government approval of mining and marketing proposals which have yet to be submitted by the joint venture.

The knotty question of who is to market the diamonds remains to be solved. Discussions have continued between representatives of De Beers' Central Selling Organisation (CSO) and the rival contender, Metals and Minerals Trading Corporation of India.

As already reported, the CSO

has offered to buy all the gem quality diamonds which make up about 10 per cent of the projected output, and 75 per cent of the remainder which is in the form of industrial grade diamond.

Generally speaking, Ashton's gem diamonds come into the lower price categories and there is a good deal of material in the "near gem" area.

Although the world diamond market is very depressed at the moment, the Ashton overall production could still earn good profits on a high-volume basis and this is envisaged with a projected annual output of some 20 carats when full production is reached around 1985-86.

The venture partners are:

CRA (56.8 per cent), Ashton Mining (38.2 per cent) and Northern Mining (5 per cent).

NEVILLE/PENGKALEN

Neville Enterprises' offer for Pengkalen has been declared unconditional and will remain open for acceptance until July 28.

Acceptances have been received in respect of 638,984 shares (39.94 per cent).

Neville, through an associate, Fairford (Investments) was beneficially interested in 165,000 Pengkalen shares (10.31 per cent) before the offer period. Neville and its associates are interested in 503,984 shares (30.55 per cent).

SHARE STAKES

Alpine Soft Drunks—On July 6, H. H. English, director, sold 145,000 ordinary shares for 66p per share and was thereafter interested in 1,004,930 ordinary (9.77 per cent).

Electrocomponents—Clerical, Medical General Life Assurance Society now holds 5.037m ordinary shares. This represents a holding of over 5 per cent.

Greenwich Cable Communications—As at July 5, 1982, 160,000 shares (7.2 per cent) were held by Royal Bank of Scotland as trustee of Allied Hambro Second Smaller Company's Fund. Associated Newspapers Group has increased holding by 7,000 shares to 369,500 (5.16 per cent).

Archimedes Investment Trust—Yorkshire and Lancashire Investment Trust has sold 63,500 income shares reducing holding to 100,000. Westingay and General Assurance Society purchased 50,000 income shares increasing holding to 100,000. Neville and its associates are interested in 503,984 shares (30.55 per cent) of the income

shares in issue, 2.72 per cent of the issued share capital and 4.08 per cent of the voting equity.

Bellhaven Brewery Group—John Berkley, director, recently purchased 250,000 ordinary shares increasing his holding to 825,200 ordinary.

Birmid Quaile—Holding of Kuwait Investment Office is reduced to 3.32m shares (5.33 per cent) from 3.97m (6.02 per cent) previously.

Hoskins and Horton—Following the purchase on July 13 of 20,000 ordinary units, Claxton and Garland is interested in 655,000 ordinary units (24.55 per cent).

Richards (Leicester)—Stainborough Securities has increased its holding by 26,000 ordinary to 57,200 ordinary (2.91 per cent).

North British Properties—Sun Life Assurance Society has acquired 230,000 ordinary shares making holding 3.39m shares (24.18 per cent) of the income

shares in issue, 2.72 per cent of the issued share capital and 4.08 per cent of the voting equity.

Bellhaven Brewery Group—John Berkley, director, recently purchased 250,000 ordinary shares increasing his holding to 825,200 ordinary.

Electrocomponents—Clerical, Medical General Life Assurance Society now holds 5.037m ordinary shares. This represents a holding of over 5 per cent.

Greenwich Cable Communications—As at July 5, 1982, 160,000 shares (7.2 per cent) were held by Royal Bank of Scotland as trustee of Allied Hambro Second Smaller Company's Fund. Associated Newspapers Group has increased holding by 7,000 shares to 369,500 (5.16 per cent) of the income

shares in issue, 2.72 per cent of the issued share capital and 4.08 per cent of the voting equity.

Bellhaven Brewery Group—John Berkley, director, recently purchased 250,000 ordinary shares increasing his holding to 825,200 ordinary.

Electrocomponents—Clerical, Medical General Life Assurance Society now holds 5.037m ordinary shares. This represents a holding of over 5 per cent.

Greenwich Cable Communications—As at July 5, 1982, 160,000 shares (7.2 per cent) were held by Royal Bank of Scotland as trustee of Allied Hambro Second Smaller Company's Fund. Associated Newspapers Group has increased holding by 7,000 shares to 369,500 (5.16 per cent) of the income

shares in issue, 2.72 per cent of the issued share capital and 4.08 per cent of the voting equity.

Bellhaven Brewery Group—John Berkley, director, recently purchased 250,000 ordinary shares increasing his holding to 825,200 ordinary.

Electrocomponents—Clerical, Medical General Life Assurance Society now holds 5.037m ordinary shares. This represents a holding of over 5 per cent.

Greenwich Cable Communications—As at July 5, 1982, 160,000 shares (7.2 per cent) were held by Royal Bank of Scotland as trustee of Allied Hambro Second Smaller Company's Fund. Associated Newspapers Group has increased holding by 7,000 shares to 369,500 (5.16 per cent) of the income

shares in issue, 2.72 per cent of the issued share capital and 4.08 per cent of the voting equity.

Bellhaven Brewery Group—John Berkley, director, recently purchased 250,000 ordinary shares increasing his holding to 825,200 ordinary.

Electrocomponents—Clerical, Medical General Life Assurance Society now holds 5.037m ordinary shares. This represents a holding of over 5 per cent

CPC hoists half-year profits 9%

BY TERRY BYLAND IN NEW YORK

THE strengthening of the U.S. dollar against European and Latin American currencies has reduced the value of second quarter sales at CPC International, the corn refiner and manufacturer of such branded foods as Knorr soups and Hellmann's mayonnaise.

But earnings rose by 9.3 per cent to \$88.2m or \$2.04 per share at the end of the first six months of 1982, from \$89.5m or \$1.88 per share.

The board expects a further

rise in profits for the full year, although at a slower rate than in 1981. Last year, earnings totalled \$218.4m or \$4.57 a share.

Sales dipped from \$1.1bn in the second quarter but profits edged from \$51.2m or \$1.07 per share to \$57m or \$1.18 per share. Mr James W. McKee, chairman and chief executive, attributed the fall in sales in the second quarter to moderately lower selling prices in the U.S., as well as currency

fluctuations. Sales for the half year are down from \$2.2bn to \$2.1bn.

The board said it had treated the gains achieved by swapping shares for bonds as earnings. Mr McKee said that CPC managed to reduce its interest charges by 29 per cent in the second quarter. He ascribed the strengthening of earnings in a recessionary period to the group's product mix and geographical spread.

Stress was being placed upon asset management with the aim of cutting interest charges again. Capital expenditures would be held down to about \$230m this year instead of the original estimate of \$280m.

In Europe, profits are recovering from the setback suffered in 1980 and the U.S. branded grocery business continues to do well. Analysts have predicted a strong second half and earnings forecasts of \$245m have been mooted.

Sohio files for \$500m shelf issue

By Our New York Staff

STANDARD OIL of Ohio, the U.S. oil group which is 53 per cent owned by British Petroleum, yesterday filed a shelf registration statement with the U.S. Securities and Exchange Commission covering up to \$500m of new debt securities.

Under the SEC's controversial new Rule 415, better known as the "shelf rule," a company can file a statement to a given amount of securities at any time during the next two years without further formalities.

Sohio is the latest major corporation to take advantage of the rule. Among the oil majors, Exxon led the way in making a shelf registration for \$500m of securities.

Sohio said last night the securities would be sold in one or more offerings and terms of each series would be determined at the time of offering. It would use the proceeds for capital expenditures, retirement of short-term debt or other general corporate purposes.

Like other major oil companies, Sohio, which acquired Kennecott Corporation for \$1.77bn last year, is contemplating returning to the debt market.

• Caterpillar Tractor, the world's largest manufacturer of earthmoving and construction equipment, has filed with the Securities and Exchange Commission a shelf registration for up to \$250m of debt. Reuter reports from Peoria, Part of the proceeds are to be used to reduce short-term debt incurred to finance the acquisition of the Solar Turbines International division from International Harvester for \$505m in cash. Funds also will be used to retire other short-term debt previously needed for working capital and for capital expenditures, and to cover a \$100m bond issue which matures this November.

Lower first half for Time Inc

By Our Financial Staff

A DOWNTURN in its magazine, book publishing and forest products operations has left Time Inc with slightly lower first half earnings.

Second quarter profits of \$47m or 75 cents a share against \$49.24m or 80 cents left first half figures at \$74.71m or \$1.18 a share compared with \$76.04m or \$1.25. Second quarter revenues were \$906.5m against \$841.6m, bringing first half revenues to \$1.71bn compared with \$1.57bn.

Last year's figures included losses of \$2.7m in the second quarter and \$16.6m in the first half from discontinued operations.

Mixed results for paper groups

BY OUR NEW YORK STAFF

MIXED RESULTS come from the paper industry with Fort Howard Paper turning in higher profits for the second quarter but Great Northern Nekoosa suffering a further setback over the same period.

Mr Robert Hellendale, president of Nekoosa, said the recession was continuing to affect the company, as well as the whole of the paper industry. Shipments of container board and pulp were down nearly 13 per cent in the second quarter and an additional problem had been the widespread weakness in prices.

For the first half of the year, Nekoosa has earned \$42.3m or \$2.54 a share against \$48.3m or \$2.87 a year ago. Sales have dropped by 3.5 per cent to

\$726.1m. But in the second quarter, sales fell by 7.2 per cent and earnings dipped from \$27.1m to \$19.2m.

The first half benefited from an unquantified investment tax credit on the \$340m Leaf River pulp mill project, said the directors.

The downturn in sales is particularly bad news for Nekoosa which managed to keep sales moving up at the beginning of this year, although profits were already under pressure as the industry struggled to cut prices at a time when costs were rising sharply.

But despite the problems of the industry, Nekoosa has remained in favour with some

Wall Street analysts because of

the underpinning provided for the shares by the value of the company's 2.7m acres of forest land. Also, although the group has been obliged to cut capital spending in some areas of its business, it has pushed ahead with plans to make itself self-sufficient in energy, a goal now within sight.

Fort Howard Paper meanwhile has increased earnings from \$39.7m to \$41.2m or from \$1.45 to \$1.63 a share.

In Europe, profits are

responsible for energy loans in the Oklahoma region had been placed on "special assignment."

The bank said Mr John

Lyle "will be making himself available to bank managers and bank examiners to answer questions relating to Penn Square." Mr Lyle, 47, has been with the bank 33 years.

Penn Square collapsed after

many of its loans to small and medium-sized oil and gas companies went bad because of the softening of the oil price. Continental Illinois had participated in about \$1bn of these loans, and has said that the failure will cancel any

profits it expected to make in the second quarter of this year. Analysts estimate its

losses at least \$120m.

FBI looks into Penn Square's losses

By David Lascelles in New York

THE Federal Bureau of Investigation is looking into last week's collapse of Penn Square Bank, which has brought losses amounting to several hundred million dollars to other banks and depositors.

The FBI, official in Oklahoma City, where Penn Square had its offices, said yesterday that criminal allegations have been made "and we are looking into them."

He did not say what the allegations were or who had made them. But he said that the FBI is required to investigate allegations of fraud in cases involving bank deposits which are insured by the Federal Deposit Insurance Corporation. The FDIC, a government agency, insures deposits of up to \$100,000.

However, many depositors at Penn Square had considerably more than this in their accounts.

Separately, Continental Illinois, the large Chicago bank which bore the brunt of the collapse, confirmed yesterday that its executive responsible for energy loans in the Oklahoma region had been placed on "special assignment."

The bank said Mr John

Lyle "will be making himself available to bank managers and bank examiners to answer questions relating to Penn Square." Mr Lyle, 47, has been with the bank 33 years.

Penn Square collapsed after

many of its loans to small and medium-sized oil and gas companies went bad because of the softening of the oil price. Continental Illinois had participated in about \$1bn of these loans, and has said that the failure will cancel any

profits it expected to make in the second quarter of this year. Analysts estimate its

losses at least \$120m.

Sumitomo Bank launches \$50m Eurobond at 15½%

BY ALAN FRIEDMAN

SUMITMO BANK is today launching a \$50m 15 per cent seven-year Eurodollar bond, becoming the first of a group of four banks authorised last week by the Ministry of Finance to issue such paper.

The issue, which has been hotly fought for by several Euromarket houses, will be lead-managed by Sumitomo-Finance International in London and Paribas in Paris. The borrowing will be achieved under the name of Sumitomo Finance Asia, the bank's subsidiary.

The Sumitomo deal is believed to involve an interest-rate swap similar to the one engineered earlier this week for Creditanstalt Bankverein. Under the proposal, Sumitomo will take over from Paribas the counter-party as well as a lead-manager.

At this price the Mexican bonds yield 19.26 per cent, a spread of more than 400 basis points over Paribas.

Elsewhere in the Eurodollar bond market, there was very light trading. Prices were marked 4 point lower on the day. It was clear yesterday that the mini-rally of last Friday and this past Monday had disappeared. North American bank names are still cheap and show little sign of staging a major recovery.

In West Germany, the Euro-D-Mark bond sector saw prices fall by 4 to 5 point on average on light turnover. The new DM 200m World Bank 91 per cent issue was quoted last night at a discount of 4 per cent.

In Zurich, dealers reported moderate trading and unchanged prices. The six-month Euro-Swiss franc deposit rate dropped 4 per cent to 5.5 per cent.

Mead plummets into the red in second quarter

By Our New York Staff

MEAD, the forest products company, has plunged into the red in the second quarter, a rate from which it was only saved in the first three months by special gains on tax benefits sales. The directors expect "limited improvement" in its major markets during the balance of the year, but made no forecast of earnings yesterday.

For the whole of fiscal 1981, Mead, of Dayton, Ohio, earned \$105.8m or \$4 a share on sales of \$2.9bn.

A net loss of \$1m or 4 cents a share in the second quarter, against a profit of \$36.9m or \$1.94 a share, followed a slip in sales from \$755.5m to \$703.1m.

For the first half of the year, Mead now shows earnings of \$12.8m or 47 cents a share compared with \$66.9m or \$2.49 a share a year ago. Half-year sales were down from \$1.43bn to \$1.39bn.

MGM/UA restructures credit

CULVER CITY, CALIFORNIA — MGM/UA Entertainment said it had received commitments for a restructured bank credit of \$325m.

Mr Robert Rothman, MGM/UA chairman, also said the company should have a solidly profitable fourth quarter, ending August 31.

MGM/UA, which changed its name from Metro-Goldwyn-Mayer Film in April, said the new credit would replace existing and separate MGM and United Artists credit lines.

At the end of February, the combined revolving credit lines of MGM and United Artists totalled \$312.88m, and unused lines amounted to \$37.7m. Long-term debt stood at \$539.85m. MGM acquired United

Artists from Trans-American for \$380m in July last year.

The restructured credit would bear interest at one half a point over the prime rate, and would be used for general corporate purposes and film production.

MGM/UA announced a third quarter loss of \$4.4m, or 9 cents a share, compared with profits last year of \$3.45m or 10 cents.

In the fourth quarter last year, MGM/UA earned about \$10.5m or 30 cents a share.

MGM/UA said finalisation of the loan commitments was subject to appropriate documentation which was now in progress.

The loan commitments were arranged with a consortium of banks led by Bank of America and including Chemical Bank,

Bankers Trust, Bank of New York, Manufacturers Hanover, Mellon Bank and Marine Midland Bank.

Mr Rothman said the company was moving steadily towards its goal of reducing outstanding debt.

He attributed the expected fourth quarter profit in part to the box office success of its two most recent film releases, *Roc* and *Poltergeist*.

The two movies had grossed more than \$120m to date in the U.S. and had also been successful in foreign markets.

Domestic syndication revenues from *Chips*, the television series which 80 per cent would be reported in this year's fourth quarter. Reuter

strong growth at Baxter Travenol

By Our New York Staff

BAXTER TRAVENOL, the medical products group which has a commanding position in the U.S. market for kidney dialysis machines, has continued to grow strongly.

However, with the bulk of revenues — \$6.4bn out of \$9.4bn last year — still coming from power systems and industrial products, there can be little recovery in the short term until the recession shows signs of abating.

However, with the bulk of revenues — \$6.4bn out of \$9.4bn last year — still coming from power systems and industrial products, there can be little recovery in the short term until the recession shows signs of abating.

Last year's net earnings of \$43.8m on sales of \$9.37bn were a record. Mr Robert Kirby, chairman, has described the Teleprompter purchase as "the most important acquisition in our history, requiring a significant use of funds." However, he also stressed that the company's balance sheet remains strong.

Baxter maintained its pace of growth in the second quarter, with a 24 per cent gain in earnings, from \$35.2m to \$43.8m — or from \$0.26 to 32 cents a share — and an 11 per cent rise in sales from \$830m to \$823.1m.

Net earnings for the first half

of 1982 were \$81.5m or 75 cents a share.

For the first half of 1981, Baxter

traversed the Beaufort Sea.

Baxter maintained its pace of

growth in the second quarter, with a 24 per cent gain in earnings, from \$35.2m to \$43.8m — or from \$0.26 to 32 cents a share — and an 11 per cent rise in sales from \$830m to \$823.1m.

Net earnings for the first half

of 1982 were \$81.5m or 75 cents a share.

For the first half of 1981, Baxter

traversed the Beaufort Sea.

Baxter maintained its pace of

growth in the second quarter, with a 24 per cent gain in earnings, from \$35.2m to \$43.8m — or from \$0.26 to 32 cents a share — and an 11 per cent rise in sales from \$830m to \$823.1m.

Net earnings for the first half

of 1982 were \$81.5m or 75 cents a share.

For the first half of 1981, Baxter

traversed the Beaufort Sea.

Baxter maintained its pace of

growth in the second quarter, with a 24 per cent gain in earnings, from \$35.2m to \$43.8m — or from \$0.26 to 32 cents a share — and an 11 per cent rise in sales from \$830m to \$823.1m.

Net earnings for the first half

of 1982 were \$81.5m or 75 cents a share.

For the first half of 1981, Baxter

traversed the Beaufort Sea.

Baxter maintained its pace of

growth in the second quarter, with a 24 per cent gain in earnings, from \$35.2m to \$43.8m — or from \$0.26 to 32 cents a share — and an 11 per cent rise in sales from \$830m to \$823.1m.

Net earnings for the first half

of 1982 were \$81.5m or

This announcement appears as a matter of record only.

Companies
and Markets

INTERNATIONAL COMPANIES and FINANCE



IRELAND

US \$50,000,000
Floating Rate Notes due July 1992

BANK OF TOKYO INTERNATIONAL LIMITED BANK OF IRELAND

Daiwa Europe Limited

Sparebanken Oslo Akershus

Bank of China

County Bank Limited

Genossenschaftliche Zentralbank A.G. - Vienna

Sumitomo Trust International Limited

The Taiyo Kobe Bank (Luxembourg) S.A.

Yokohama Asia Limited

In accordance with the provisions of the Notes, notice is hereby given that for the six months Interest Period from 14th July 1982 to 14th January 1983 the Notes will carry an interest rate of 15 per cent per annum. The relevant Interest Payment Date will be 14th January 1983 and the Coupon Amount per US \$500,000 will be US \$338,333.33

July, 1982

This announcement appears as a matter of record only.

June 30, 1982

U.S. \$100,000,000 Notes
The Republic of Ecuador

Lead Managed by

E.F. Hutton International Inc.
The Dai-Ichi Kangyo Bank, Limited

Managed by

Banco Exterior de los Andes y de Espana, SA
The Bank of Yokohama, Ltd.

Daiwa Bank Trust Company

Co-Managed by

Banca Nazionale del Lavoro
Banco di RomaBanco Central SA
Banque Francaise du Commerce Exterieur
Commercial Credit International Banking Corporation

Provided by

Asian International Bank
Banco Exterior de los Andes y de Espana, SA
Banque Francaise du Commerce Exterieur

Commercial Credit International Banking Corporation

Credito Italiano
Den norske Creditbank, Oslo
E.F. Hutton International Inc.
Maryland National BankBanco Nazionale del Lavoro
Banco di RomaBanco Herrer
Banque Internationale de Gestion et de Tresorerie

Credit Commercial de France (Panama) S.A.

Daiwa Bank Trust Company

Hungarian International Bank Limited

London Interstate Bank Limited

Union Trust Company of Maryland

U.S. \$175,000,000
National Westminster
Finance B.V.
(Incorporated in The Netherlands with limited liability)
Guaranteed Floating Rate Capital
Notes 1991*In accordance with the provisions of the Notes, notice is hereby given that for the six months Interest Period from 15 July, 1982 to 17 January, 1983 the Notes will carry an interest rate of 15 1/4 per annum. The interest payable on the relevant interest payment date, 17 January, 1983 against Coupon No. 3 will be U.S. \$393.96.*By The Chase Manhattan Bank, N.A., London
Agent Bank

U.S. \$25,000,000



Bergen Bank A/S

(Incorporated in the Kingdom of Norway with limited liability)

Floating Rate Capital Notes Due 1991

*In accordance with the provisions of the Notes, notice is hereby given that for the three month Interest Period from 15th July, 1982 to 15th October, 1982 the Notes will carry an interest rate of 15 1/4 per annum and the Coupon Amount per U.S. \$1,000 will be U.S. \$38.65*Credit Suisse First Boston Limited
Agent BankU.S. \$200,000,000
CANADIAN IMPERIAL BANK
OF COMMERCE
(A Canadian Chartered Bank)Floating Rate Debentures
Due 1994

For the six months

15th July, 1982 to 17th January, 1983
In accordance with the provisions of the Debentures, notice is hereby given that the rate of interest has been fixed at 15 1/4 per cent, and that the interest payable on the relevant interest payment date, 17th January, 1983 against Coupon No. 1 will be U.S. \$787.92.

Agent Bank: Morgan Guaranty Trust Company of New York, London

U.S.\$25,000,000 Guaranteed Floating Rate Notes due 1988

JIM WALTER INTERNATIONAL
FINANCE N.V.

(Incorporated with limited liability in the Netherlands Antilles)

Unconditionally Guaranteed as to Payment of Principal and

Interest by

JIM WALTER CORPORATION

(Incorporated with limited liability in the State of Florida, U.S.A.)

*In accordance with the provisions of the Notes and the Fiscal Agency Agreement between Jim Walter International Finance N.V. and Citibank, N.A., dated January 13, 1981, notice is hereby given that the rate of interest has been fixed at 15 1/4 p.a. and that the interest payable on the relevant Interest Payment Date, January 17, 1983, against Coupon No. 4 in respect of US \$55,000 nominal of the Notes will be US \$402.03.*July 15, 1982
By: Citibank, N.A., London, Agent Bank

CITIBANK

Philips to buy part of Bauknecht

BY STEWART FLEMING IN FRANKFURT

THE West German subsidiary of Philips, the leading European electrical concern, wants to participate in plans to rescue the important household appliance division of the financially troubled Bauknecht home equipment group.

Bauknecht, a privately owned company which is a major German producer of kitchen equipment, had to apply to the courts for protection from its creditors in May of this year.

The company had debts to international and domestic banks of several hundred mil-

lion dollars—detailed figures have not been disclosed. It had failed in an attempt to persuade the banks to write off loans of DM 70m (US\$23.5m) and also advance a further DM 100m in new credit.

Philips plans to take a minority stake in either one or two new companies which will be formed to take over Bauknecht's white goods operations. Its products include refrigerators, washing machines and dish-washing machines. The majority holders in the new companies will be Bauknecht's banking

creditors.

It is not yet clear whether a separate company will be set up to cover Bauknecht's domestic business and one for its international operations, or whether the white goods operations being acquired will all be brought under one roof.

The move gives Philips, which has a joint venture in Germany with Bauknecht, an opportunity to strengthen its German operations. Philips was unable to say what proportion of Bauknecht's sales revenues of about DM 1.6bn annually, are involved

in the proposal. The white goods division is Bauknecht's major business and sales revenues will therefore amount to several hundred million Marks.

Bauknecht itself will not be a shareholder in the new business. Disposing of the white goods operation is however expected to make a positive contribution to the restructuring of the other Bauknecht divisions. These include the manufacture of built-in kitchens, of electric motors and of heat pumps and electric storage heaters.

Receiver appointed to Irish brewer

By Brendan Keaveny in Dublin

MURPHY'S, the Irish brewer which last year ran up a loss of £5.5m (US\$11.4m), has been put into the hands of a receiver. Based in Cork and famous in the south of Ireland for Murphy's Stout—which competes directly with Guinness—the company has for some time been trying to raise new capital.

Murphy's has some 1,200 shareholders, mostly Cork and Dublin publicans. Reports from Cork suggest that some of them are now prepared to put fresh funds into the company.

It is also understood that Heineken, the Dutch brewer, whose expanding lager market in the Irish Republic is handled by Murphy's, is willing to take a minority shareholding in the company.

The prime cause of Murphy's downfall is a 151.7m bottling plant for mixer drinks. This came on stream just as Irish spirit sales suffered a 20 per cent drop as drinkers veered under the impact of successive harsh budgets.

Murphy's scattered ownership stems from a previous crisis in 1974 when local publicans stepped in to save the company. They were unwilling to let it go earlier this year when rival brewery Beamish and Crawford made a take-over bid.

Neue Heimat plans drastic cuts

BY OUR FRANKFURT STAFF

A

WARNING

that

Neue

Heimat,

the

trade

union

owned

building

company,

will

have

to

cut

drastically

both

its

commer-

cial

and

so-

cial

build-

ing

activi-

ties

and

con-

struc-

tions

for

the

new

com-

pany

for

the

Indosuez to reorganise in Malaysia

BY WONG SULONG IN KUALA LUMPUR

BANQUE de l'Indochine and de Suez (Bank Indosuez) is to incorporate locally its Malaysian operations following its nationalisation under President Francois Mitterrand's Socialist Government.

Under the Malaysianisation Bank Indosuez's two local branches will be transferred to a newly formed company, the Malaysian French Bank.

The French bank will hold 30 per cent in the new Malaysian bank, with 51 per cent going to Senator Daim Zainuddin and 18 per cent to the Knok Founi group.

Mr Pascal Mouradian, a senior Bank Indosuez representative

sent from Paris in February to negotiate the deal, said the proposed restructuring has to be approved by the Malaysian authorities. He declined to disclose the amount the Malaysian partners would pay for their stakes.

Under Malaysian law, no bank operating in the country can be controlled by a foreign government.

The Bank of China had to close its operations in Malaysia in 1958, while three Indian banks and one Pakistani bank had to restructure their Malaysian operations to form United Asian Bank and Perwira Habib Bank respectively.

ing nationalisation by their governments in the 1970s.

Bank Indosuez began operations in Malaysia in 1958, and its assets currently total about 300m ringgit (US\$125m).

Senator Daim is a London-trained lawyer, who made his fortune in property development. He is a close adviser to DR Mahathir Mohamed, the Prime Minister, and is expected to be the bank's chairman.

The Knok Foundation is a charitable organisation founded by the Knok Brothers, one of Southeast Asia's leading Chinese business groups.

As a local bank, the proposed

Malaysian French Bank will not be discriminated against in opening new branches, and will enjoy a more favourable capital deposit ratio than foreign banks.

The two largest foreign banks in Malaysia - Chartered Bank, belonging to Standard Chartered of the UK, and the Hong Kong and Shanghai Banking Corporation - are currently negotiating with Malaysian authorities on their equity restructuring. The talks are said to be "progressing well," but because of the size and complexities, the first steps in Malaysianisation will probably take a year to complete.

AMATIL, the major Australian tobacco and food group, lifted net profits by 28.8 per cent from A\$17.4m to A\$21.6m (US\$12.4m) in the six months to April 30. The directors have predicted that full-year earnings will show "a significant improvement over those for 1980-81" when the group earned net profits of just over A\$1m.

The company achieved the latest earnings advance on sales up by 14.6 per cent from A\$64.8m to A\$73.7m. The net return on sales grew from 2.78 per cent (for all of 1980-81) to 2.93 per cent.

Extraordinary gains of A\$2.5m in the latest half came mainly from profits on the sale of an investment and other non-current assets.

Earnings per share rose

from 18 cents to 23 cents and the interim dividend is held at 10 cents on capital increased by a one-for-five scrip issue.

Tax absorbed A\$16.77m, against A\$12.87m, interest on borrowings A\$9.18m, against A\$8.86m, and depreciation A\$10.06m, against A\$8.75m.

The first-half profit rise reflected further growth in tobacco profits, substantially higher profits from the printing and packaging division and improved earnings from livestock interests.

BAT Industries of the UK has a substantial minority stake in the company.

Smith buys out its SA partner

By Our Johannesburg Correspondent

SMITH INTERNATIONAL, the Houston, Texas-based mining drilling equipment manufacturer, has bought out its South African partner in Smith Boart. It has acquired the 50 per cent of the shares in Smith Boart owned by Boart International for between R2m and R3m (\$1.52m). Exact cost of the deal has not been disclosed.

The South African company manufactures tungsten carbide drilling tools for the mining and quarrying industries, and is expanding into other products through acquisitions. The Houston parent supplies the company's entire technology - Boart International was simply a financial partner.

Extraordinary gain boosts Pegi profits

By Our Kuala Lumpur Correspondent

PEGI, the Malaysian investment group, which announced the purchase of a 51 per cent stake in Dunlop Industries for 295m ringgit (US\$126m) on Monday, has produced a set of financial results showing significant gains made from previous acquisitions.

For the year ended March, the group's operating profit was 3.7m ringgit (US\$1.6m) against earnings of 324,000 ringgit for the previous 15 month period.

However, net attributable profit, after tax, minority interests and extraordinary gains, rose to 12.2m ringgit compared with 2.6m ringgit previously.

The extraordinary gain of 11.5m ringgit arose mainly from the sale of the 16 per cent stake in Dunlop Holdings of the UK which Pegi transferred to a company in which it and Multi-Purpose Holdings are joint owners.

NOTICE
REPUBLIC OF PANAMA

US \$30,000,000

9% NOTES DUE 1983

NOTICE OF ELECTION
TO EXTEND MATURITY

In accordance with the provisions of the Notes, a reminder is given that holders of these Notes may elect to extend the maturity of their Notes to 15th March, 1988.

Such right may be exercised during the period 15th March, 1982 to 15th September, 1982 by surrender of the Note(s) duly completed and presented at the office of the Fiscal Agent.

HERRILL LYNN
INTERNATIONAL BANK
LIMITED

Fiscal Agent

LONDON

The Royal Bank of Scotland plc
US\$75,000,000 Floating Rate Capital Notes due 1986 to 1994

For the three month period July 14th 1982 to October 14th 1982

The Notes will bear an interest rate of 114.95% per annum. Interest payable on October 14th 1982

Banque Trust Company, London

Downturn for Alcoa Australia

BY OUR SYDNEY CORRESPONDENT

ALCOA of Australia, the country's biggest integrated aluminium producer, earned net profits of A\$66.8m (US\$37.4m) in the first half of 1982, down 35 per cent from the A\$57m a year earlier.

The performance would have been worse but for the increase in export revenue from the devaluation of the Australian dollar against the U.S. dollar, which added A\$6m to net profits. Sales were A\$445.7m against A\$423m.

The profit downturn was expected given the poor state of world alumina and aluminium markets which has forced the company to reduce output of both products and mothball its newest alumina refinery at Wagstaff, Western Australia.

It is also negotiating with the Victorian state government on the possible deferral or cancellation of its partially completed Portland aluminium smelter.

The company announced earlier this week that it had failed to

attract a Japanese partner.

Alcoa's profit in the second quarter of 1982 was A\$14.9m down 32 per cent from the profit of A\$22m in the first quarter. Because the lower cash flow and the need to provide funds for construction, shareholders which include Aluminum Company of America with a 51 per cent stake, again agreed to reinvest the dividend. A non-cash dividend of A\$20m was declared and paid in June by the issue of 20m shares of A\$1 per value.

Further finance for Kuok Bros

BY OUR KUALA LUMPUR CORRESPONDENT

THE KUOK BROTHERS group, one of Southeast Asia's leading Chinese family businesses, is seeking a listing on the Malaysian and Singapore exchanges for its hotels on the Malaysian resort island of Penang.

The group will make a public offer of 1/m new shares of

Rasa Sayang group consists of three hotels - Rasa Sayang, Golden Sands, and Palm Beach - all located near each other on the northern beaches of Penang.

The group also owns another three acres of beach-front property for which a 330-room deluxe hotel is planned. The cost is estimated at 50m ringgit and part of the proceeds from the share offer will go to finance the project.

The Rasa Sayang group was incorporated in 1973, and has a good profit record. The net

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4 ringgit each.

result was 82m ringgit for the year to last December.

Despite the recession, after-tax earnings are projected at 13.5m ringgit for the current year and the group has promised to pay a 15 per cent tax-exempt dividend.

This is the second time

within a month that the Kuok group has announced the flotation of substantial assets in Malaysia. Last month it applied for a listing of Federal Flour Mills with a public offer of 31.99m shares of 1-ringgit value, priced at 1.4

Moroccan phosphate sales decline

By Francis Ghislé

THE REOPENING of the world's richest phosphate mine at BuCraa, in the contested Western Saharan territory, is not expected to affect the income of the Kingdom of Morocco can hope to earn from phosphate rock exports this year. Exports of rock declined by 5.6 per cent last year to 15.6m tonnes—the second year in a row in which they fell.

Export income from phosphates, however, increased by 27 per cent to reach Dinars 3.82bn (\$836m), thanks to a rise in world market prices. Prices per tonne have, however, declined during the past six months by an average of 8.8 to around \$40m. OECD countries account for two-thirds of Morocco's exports of phosphate rock but current market trends suggest demand will remain sluggish and prices soft.

Products derived from phosphates progressed well in export markets. The value of Moroccan exports of phosphoric acid increased by 68 per cent to Dinars 1.3bn while the value of exports of fertilisers derived from phosphates increased by 88 per cent to Dinars 288m.

Meeting on rubber postponed

KUALA LUMPUR—The Association of Natural Rubber Producing Countries (ANRPC) meeting scheduled for this week has been put off and will instead be held near the end of the month. The ANRPC secretariat said here. A date has yet to be fixed.

The meeting would be a follow-up to the May emergency meeting of ANRPC members, to work out export quota cutbacks for each country.

ANRPC members, Malaysia, Thailand, Indonesia, Singapore, India and Sri Lanka, proposed to hold back 350,000 tonnes of natural rubber from the market over the second half of the year to prop up depressed prices and hasten a market recovery.

Reuter

LONDON OIL SPOT PRICES

Crude Oil—FOB £ per barrel

Month	Yester'day's	+ or -	Business
July	271.75	+4.75	270.50-271.25
Aug.	272.35	+2.25	270.76-271.75
Sept.	275.00	+2.75	271.00-272.25
Oct.	276.50	+2.50	271.00-272.75
Nov.	278.50	+2.50	271.00-272.75
Dec.	279.50	+2.00	271.00-272.75
Jan.	283.00	+3.00	—
Feb.	282.00	+2.00	—
March	282.00	+2.00	—

Turnover: 4,388 (5,000) lots of 100 tonnes.

PRODUCTS—North West Europe CIF £ per tonne

Premium gasoline	337.345	-0.5
Gas oil	264.275	-5.5
Heavy fuel oil	164.170	+2.0

GOLD MARKETS

Gold rose \$1 an ounce from Tuesday's close in the London bullion market yesterday to finish at \$38.350. The metal opened at \$356.357 and rose to a best point of \$359.360 in good two-way business. However the price fell away after the entry of U.S. centres and finished at its lowest level of the day.

In Frankfurt the 12½ kilo bar was fixed at DM 28,380 per kilo (\$34.00 per ounce) against DM 27,010 (\$33.76) previously and closed at \$352.153 from \$352.153.

In Luxembourg the dollar per

Rescue bid for Devon meat co-operative

By OUR OWN CORRESPONDENT

WEST COUNTRY farmers will be asked on Saturday to dig deep into their pockets to save North Devon Meat, the big Torrington meat co-operative that is in grave financial trouble.

It is understood farmer shareholders in the co-op will be asked to find £2m, which is the size of the rumoured loss for 1981-82. This works out at £400 each from the 5,000 farmer shareholders.

Company chief executive Mr Dick Cawthron said hoped for cash contributions would depend on individual circumstances. But already caution is being advised from various sources.

The NFU is determinedly sitting on the fence, anxious to protect members' interests while not wanting to do anything to jeopardise the company's chance of survival.

This week aggressive Devon farm supply co-op Mole Valley Farmers—of which as many as three-quarters of North Devon Meat shareholders are members—called on NFU to take the lead in the crisis. In its newsletter this week it called

on Devon NFU to press for independent inquiry into the company's finances.

Mole Valley said the NFU, on results of inquiry should then firmly advise farmers what to do in spite of the element of risk."

Such a move "could well ensure the recruitment of sufficient additional capital rather than an inadequate response due to lack of confidence," the newsletter said.

NDFM have called in respected London accountants Thomson McLeintock to examine their books and at the moment this seems to have satisfied the company's main creditors Lloyds Bank.

However the position of the bank is something of a mystery. NatWest refused to extend overdraft facilities to North Devon Meat some months ago. Lloyds took over the overdraft but insiders say Lloyds are concerned at the position.

It is certain that Saturday's extraordinary meeting of shareholders at Torrington will not be the result of the report by Thomson McLeintock. The doubt is whether the company will be able to get sufficient farmer support without an independent assessment of the company's finances.

Well known Devon farmer and MP Sir Peter Mills is taking a leading role in the North Devon survival bid. He will chair Saturday's meeting. He saw Mr Peter Walker, Agriculture Minister, yesterday to seek some sort of Government guarantee for the company's overdraft. Significantly Sir Peter took representatives of PMC, Britain's largest meat company, along with him.

Sir Peter said, before seeing the ministers: "Much is at stake. Collapse of North Devon Meat could have a domino effect. Confidence in farmer co-ops like FMC is beginning to sag."

On North Devon meat, Sir Peter said: "Yes we know mistakes have been made. Some radical changes will have to be made. Financial control is not as tight as it might have been but the company must have better farmer support. In the past maybe farmers have taken out too much in bonuses, dividends and interest."

Mr Patil said talks were being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

The minister said the Indian government had taken several steps to revive the demand for jute such as compulsory use of jute bags for packing cement. Price stabilisation measures at regional and international fairs were also being taken.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for the marketing and export of jute.

Mr Patil said talks were

being held with Bangladesh on evolving a joint strategy for

FINANCIAL TIMES SURVEY

Thursday, July 15 1982

ISLE OF MAN

For all its efforts to use its local autonomy to develop as a financial offshore centre the Isle has been confounded by the world recession and the inability of its small bureaucracy to cope with the problems involved in seeking international status.

As this survey shows, however, the commitment remains strong.

Difficult times in Douglas

BY ANTHONY MORETON, Regional Affairs Editor

THESE ARE difficult times in Douglas. In the past 10 months two of the Isle of Man's 48-licensed banks have collapsed and the Manx Government was forced in the second case to attempt a rescue operation.

The economy is flat, there has been strain as a result of the decision to undertake two major capital programmes, unemployment is at its highest level for years and there are fewer tourists than for some time.

It is the bank crisis that is causing the most anguish at the moment. The affairs of International Finance and Trust Corporation, which failed in the Huddler last autumn, have still to be settled. Meanwhile, the Government was forced to admit failure on Tuesday in its attempt to rescue Savings and Investment Bank, which had its licence withdrawn on June 25.

These difficulties would present problems for an advanced financial community. For a small country they are a grave blow, the more so because the island projects its status as an offshore financial centre on the back of political stability and financial probity.

That tax-haven status dates from 1961 when the Government, in an attempt to reverse the declining population and stimulate the economy, abolished surtax. It followed that move by reducing income tax to the point where there

Manx Treasury but the Treasury has insufficient officials to check and cross-check.

With large banks this is not necessary to much depth. All the big banks have their own inspectors whose task is to see that things are running smoothly, legally and correctly. Small banks where there might be no more than two or three executives to take decisions, might not always be so careful in their overseeing of their own operations.

There is absolutely no evidence whatsoever that either of the banks involved in the problems of the past year has been anything but correct in all its operations. But the island authorities realised some time ago that there should be tighter guidelines on banks' operations.

Unfortunately, it could not agree on what should be done. The major proposal was that a Banking Inspector should be appointed to oversee the operations of the banking sector but his appointment was blocked by those who argued that the salary such a person would command would throw the civil service pay scales into confusion.

Now that a second bank has run into trouble the island has called in the Bank of England to look at the whole financial structure and system. The island is careful to point out, though, that whatever is recommended the result will still be a Manx authority independent of Whitehall.

The arrival of the Bank of England team will not only add to the strength of those urging the appointment of a Banking Inspector but will also reinforce those, like Dr Edgar Mann, the new chairman of the Finance Board (in effect, the island's Chancellor of the Exchequer) who would like to see a central

bank on the island. There is an Isle of Man Bank but this is a subsidiary of National Westminster. What Dr Mann wants is a Bank of the Isle of Man, or some such title, which can give the sort of advice to Government and oversee the general banking situation in the way the Bank of England does in the UK.

The other great weakness of banking on the island—unlike the Channel Islands, there is no high-powered name bank in Douglas—may soon be rectified.

One highly respected international bank is thought to be on the point of announcing the establishment of a full subsidiary in Douglas.

Such an arrival would also help lift spirits on the island. The financial sector currently accounts for 23 per cent of the national economy (or about 30 per cent if the earnings of professional groups such as accountants and lawyers are included), a rise from the 21.5 per cent of the previous year. But these figures are still a good way off the boom years of 1977-78 when the sector accounted for 28 per cent.

This slight expansion may in fact be understating the rate of growth which has taken place more recently (island figures are always a year out of date because they relate to the previous tax year). Bank deposits have grown three-fold in the past three years and over 3,000 new companies were formed last year. This means record growth in deposits, reflecting the confidence following the ending of exchange control in the UK, and continues the high level of company formations.

Re-examination

The prosperity generated by the ending of UK exchange control has paradoxically led to fears about what might happen if a future British Left-wing Government were to reintroduce them (these fears are equally felt in the Channel Islands). There has been pressure for a re-examination of the link between the island and the UK.

This link is close, closer than in the Channel Islands and too close for many Manx people. But not too close for all of them.

Under the Common Purse Agreement between the UK and the island the former provides some services (defence).

It collects certain revenues such as those from air traffic licences and repays the island a proportional share. But under the Agreement Manx Customs and Excise duties and VAT rates are levied at the same rate as those in the UK and change automatically when altered in the UK.

This means that at the UK and change automatically when altered in the UK.

A growing proportion of the islanders believe this is iniquitous. They see it almost as a double budgetary blow on the island. The Manx authorities levy their own taxes to meet their own needs and then find at some arbitrary date that they have to take into account different VAT or customs duties which have been levied to meet UK needs and not those of the island. When Sir Geoffrey Howe raised the level of VAT from 10 to 15 per cent he did more to rally support for those wishing to abrogate the Common Purse Agreement than any other British Chancellor for years.

The UK Government

obdurately refuses to countenance any change in this relationship, though 18 months ago it was forced to concede in principle the right of the island to abrogate the Agreement providing it gave three months' notice. Many islanders now want to use this power.

This lobby is fuelled by the fact that whereas Britain agreed to pay the island a share of the offshore licence fees it has resolutely refused to give it a share of petroleum revenue tax.

The UK does have a big stick, though, in that if the island wants to cut many of the remaining ties with the UK it would find fewer ports of entry for people and, more important,

for goods in transit between the two.

At present there are sailings to Douglas from North Wales (in the holiday season), Liverpool, Heysham, Ardrosson and Belfast as well as air flights from several centres—Southport, Garstang, Liverpool, Blackpool, Prest, Middlewich, for instance—and if the island had complete control over its customs duties it is thought that at least one of these would be closed, probably Ardrosson.

Pressures

Earlier this year Tynwald, the island's parliament, accepted a recommendation that there should be no change in the customs union with the UK. Any change might involve "considerable risk to the island's prosperity" it commented. But it also bowed to the pressures and accepted a need to "conduct a close investigation into the apprehensions with a view to determining if they are valid."

The opposition to a change was led by the island's manufacturing sector, which believed it would be at a disadvantage if its goods had to be taxed twice before reaching their destination—once in transit in the UK and once in the country of destination. Since this sector employs some 3,000 people it has a lot of muscle and has, up to now, been using it effectively.

The tourist industry is the sector which is pushing hardest for a change. If the island could set its own levels of duty on wines, spirits, other drinks, cigarettes, watches and perfumes, as in the Channel Islands, it is thought that the local image would be pleasantly polished up and more holiday-makers would arrive.

If relationships with the UK are the main constitutional

issue at the moment there is also a vocal debate going on about how the island should govern itself.

The present situation is that the island has a 24-member House of Keys, elected quinquennially in November. Keys then elects eight members to the Legislative Council who are joined in an ex-officio capacity by the Bishop of Sodor and Man and the UK's Attorney General.

The Keys may vote anyone on to the Legislative Council, though its recent practice has been to elect almost without exception from among itself, thus necessitating by-elections.

These two bodies combine to elect six of their members to an Executive Council, though Exco members do not give up their seats in either of the other two houses. There has for long been an attempt to make the chairman of Exco the leading politician, in effect its Prime Minister, a move that was equally strongly opposed.

However, Mr Percy Redcliffe, a highly respected chairman of the Finance Board until last year's general election, has become chairman of Exco without having any departmental responsibilities, thereby opening the way to the post becoming a sort of *primus inter pares*.

Now there are moves to change this system. It has been proposed by the Keys that at general elections 33 members should be elected to Tynwald and that Tynwald should vote on which members should be in the Legislative Council, with the remainder being in the House of Keys.

All change on the island is resisted with an opposition that borders on the ferocious. This particular change will be hotly opposed, though the signs are that it might win through.

For such a small island we have a great deal to offer

Geographically a part of the British Isles—yet independent of the United Kingdom in its administration—the Isle of Man has a flourishing industrial and international financial community.

If you'd like to know more about the facilities here, or want to know how your business activities could benefit from being represented on the Island, get in touch with us today.

We'll send you all the up-to-date facts you'll need.

Low Taxes

The maximum rate of Income Tax, for both individuals and companies, is only 20%. We levy no Corporation Tax or Capital Gains Tax (except on certain land transactions), no Wealth Tax or Surtax and no Estate Duty.

Generous Legislation

For insurance companies, we've recently passed legislation which exempts both underwriting profits and investment income from income tax. This applies to both 'cavities' and independent companies alike.

Stability

Under Tynwald, our two-tier parliament, we have enjoyed over 1,000 years' political and economic stability, a fact reflected in our peaceful and ordered way of life.

Informality

You'll find we're hardworking, friendly people. We're also very accessible. The encouraging lack of red tape means your plans won't get snarled up and your ambitions won't be frustrated.



Accessibility

Less than an hour's flying time from Manchester (and only an hour and twenty minutes from London) the Island's easily accessible. We also have excellent telecommunications facilities with the rest of the world.

Space

At 221 square miles, the Isle of Man is about half the size of metropolitan London yet, at close to 65,000, its population is still less than a hundredth of London's. So there's plenty of room for business expansion.

Incentives for Industry

New manufacturers coming to the Island can apply for grants towards the cost of new buildings, plant and machinery, working capital loans on favourable terms and help with marketing, training and re-location expenses.



Isle of Man

To: Ken Bawden, Secretary, Industry Board, Government Offices, DOUGLAS, Isle of Man. Telephone: (0624) 26262. Telex: 62862 ROMANG.

I'd like to know more about business development opportunities on the Isle of Man. Please send me further details.

Name _____	Position _____
Company _____	
Address _____	
Nature of business _____	

ROYAL TRUST BANK

OFFERS

- PRIME RATES OF INTEREST PAID GROSS ON DEPOSIT ACCOUNTS OVER £2,000 AS WELL AS ON U.S. AND CANADIAN \$ DEPOSITS OVER \$25,000 AND IRISH PUNT ACCOUNTS IN EXCESS OF £10,000.
- RESIDENTIAL MORTGAGES.
- INTERNATIONAL INVESTMENT MANAGEMENT.
- SCHOOL FEES SCHEME.
- BACK TO BACK LOANS.
- COLLATERAL LOANS.

Royal Trust one of the largest financial institutions in North America and the first to establish a bank in the Isle of Man has Group assets over £4,000 million world wide.

For Confidential and Personal Service, talk to . . .

ROYAL TRUST BANK



(ISLE OF MAN) 46 ATHOL STREET, DOUGLAS
TELEPHONE: DOUGLAS 6138 and 21982
TELEX: 628520

INCORPORATED AND REGISTERED IN THE ISLE OF MAN WITH UNLIMITED LIABILITY

ISLE OF MAN

RONALDSWAY INDUSTRIAL ESTATE

Modern Single Storey

Industrial Premises

28,600 sq. ft. on 2.35 acres

- Offices
- Heating & Sprinklers

FOR SALE

Apply Joint Agents:

HENRY BUTCHER
LEOPOLD FARMER

Michael Chapman & Company

27 St. Paul's Street
Leeds LS1 2JG

46, Athol Street, Douglas
Isle of Man

Tel: 0532 457356

Tel: 0624 23127

C.C.M.

"THE COMPANY PEOPLE"

We specialise in the formation, domiciliation and management of Isle of Man companies. In addition to our Comprehensive Company Management service we establish and administer Trusts, undertake the preparation of accounts, provide insurance services and arrange pensions. Please contact us at:

5 UPPER CHURCH STREET
DOUGLAS, ISLE OF MAN
Tel: Douglas (0624) 23733
Telex: 627900 CCM100 G

R. L. STOTT & CO.

(Established 1882)

Members of the Stock Exchange

Please write or phone for details of services offered

Head Office:
ATHOL STREET, DOUGLAS - TEL: 0624 3701/4

Branch Office:
RAMSEY - TEL: 0624 51333

INTERNATIONAL INCORPORATIONS

Manx and UK Non-Resident Companies

Jordans
the company people

Jordan & Sons (Isle of Man) Ltd
Victory House, Prospect Hill,
Douglas, Isle of Man.
Tel: Douglas (0624) 24298
Tel: London (01) 253 3030

International Money Broker Opens Isle of Man Office

Marshalls, who have money broking offices or agencies in every major financial centre around the world, have this year opened a branch in Douglas, and now provide banks in the Isle of Man with access to the finest interest and exchange rates available anywhere in the world.

The Island's financial sector is poised for further significant expansion in which Marshalls intend to play their part.

M. W. Marshall, 9 Athol Street, Douglas, Isle of Man. Tel: (0624) 29815

Marshalls

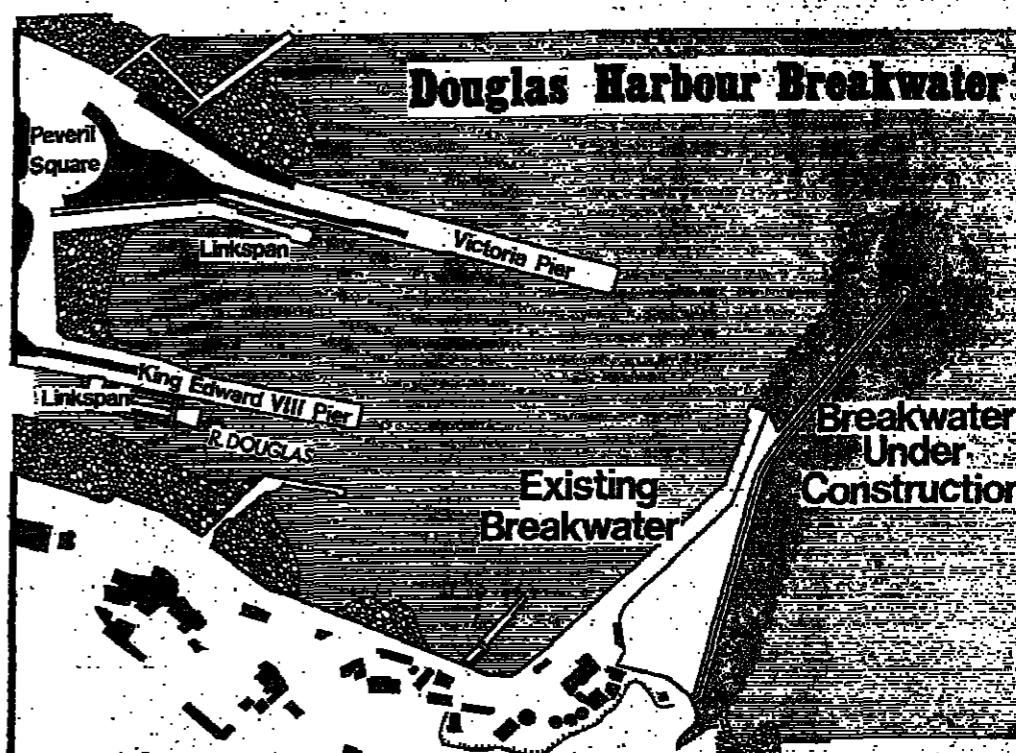
A Member of the Mercantile House Group.



ISLE OF MAN II



One of the island's major capital works projects is the extension of the Battery Pier Breakwater at the harbour of Douglas. Contractors French Kier Construction are looking for completion by next December. Picture shows the concrete stabilisation units ready for positioning on the rubble base



The authorities have launched a major campaign to enable the island to rival other offshore financial centres like the Channel Islands.

Big push to attract international wealth

ISLE OF MAN officials are prone to describe the island rather coyly as "a low tax development area" rather than a tax haven, but in recent years a great deal more emphasis has been placed upon the island's tax advantages. The Government has embarked upon an active programme of legislative changes in order to attract a range of financial services.

At one time the most important focus for the Manx financial industry was upon the wealthy individuals and pensioners attracted to the island by the tax regime; income tax is low (it has recently been cut to 20 per cent to equal Jersey's) and there is no capital gains tax or capital transfer tax.

Widened

This encouraged the development of various banks, stockbroking firms and trust companies. More recently, however, the financial sector has significantly widened its scope.

These days the emphasis is no longer on the wealthy North of England businessmen who might be attracted by the idea of residence on the island, but is rather on the vast and growing pool of international wealth owned by expatriates. Such people usually have no intention of living on the Isle of Man but are looking for a safe and tax-free haven to deposit their assets.

A third area of activity is also definitely offshore in nature but concerns commercial rather than personal clients. Banks and investment managers are seeking to tap such markets and the most recent development has been the establishment of so-called captive insurance companies.

In such activities the Isle of Man has been rather late into the game compared with other territories like Bermuda or Jersey. But it is now making serious efforts by means, for



Mr William Dawson, Manx Treasurer: the authorities hope to boost the financial sector

instance, of a promotional campaign being put together by Streets Financial, the London public relations firm.

There is a lot to be said in the island's favour. It is easily accessible by air from London and at the same time able to offer a good range of financial services as well as ample physical space for expansion. Houses, for example, are readily available for incoming professional staff. In this respect the Isle of Man can offer an edge on costs compared with more crowded or distant tax havens like Guernsey or the

Cayman Islands, even if the weather is not so appealing.

For the moment, however, it probably suffers in that its relationship to the UK may not be properly understood.

Foreigners and expatriates are concerned not just about their tax position but also about factors such as foreign exchange controls—though these are only hypothetical at the moment—and confidentiality.

At present the Bank of England still maintains a measure of jurisdiction over the island's monetary affairs but the Manx Government has been con-

sidering the possibility of leaving the Scheduled Territories—even though there are no plans for breaking the parity with sterling.

Steps towards monetary independence would require approval by the British Parliament so the Manx Government will have to move carefully.

However, Dr Edward Mann, effectively the island's Chancellor of the Exchequer, recently came out in favour of such development. "It would be advantageous if the Isle of Man had its own exchange control legislation," he said. "In my opinion, it would enhance the island's position as an offshore centre."

Whatever the progress of the discussions with the Bank of England—and whatever happens it is likely to be several years before any major changes take place—the Manx authorities will be looking for every opportunity to boost the financial industry, the island's only growth sector.

Rents along Athol Street in Douglas, the island's premier financial address, are rising. The banking sector, the key to any expansion in financial services as a whole, has been expanding, with a doubling of deposits within the past three years to over £1bn.

But such growth, which has been paralleled by the rise in the number of licensed banks to 49, trading out of some 75 offices, has not been achieved without problems. One small operator went into liquidation last year. More seriously, the island's biggest independent bank, Savings and Investment Bank, with over £40m of deposits, suffered a run at the beginning of this month and closed its doors.

Rescue proposals have been abandoned and the affair underlines the Isle of Man's need to seek high quality in its banking community. Although most of

the big UK mainland banks are represented and a number of the London merchant banks also have a presence, the lack of any major non-British bank is a handicap.

Although a high quality banking sector is fundamental to the island's plan, it is not the only consideration. Offshore fund management is another growth area, with mainly British expatriates working in the Middle East and Far East emerging as the most prolific sources of business for the Manx fund managers.

Offshore unit trusts are also a significant activity on the island—Barclays Unicomb has six Manx funds, for instance.

But undoubtedly the Isle of Man is a long way behind the Channel Islands in this as in other areas.

Still, the Manx Government's determination to encourage expansion here as elsewhere was shown by the passage in April this year of new legislation on trusts. A large number of gilt-edged and currency funds have recently been set up in Jersey, where trust companies can have redeemable shares. Now the same kind of funds can be set up on the Isle of Man, raising hopes that a new area of growth will develop.

Barry Riley

MOLYNEUX ROCHE CORPORATION LIMITED

Financial Advisers
Property Investment
Management Consultants

Africa House, Woodbourne Road,
Douglas, Isle of Man
Telephone: (0624) 4228
Telex: 629196

STANDARD CHARTERED BANK

(ISLE OF MAN) LTD.
64 ATHOL STREET, DOUGLAS, ISLE OF MAN
TEL: (0624) 23916 TELEX: 628665

Contact us for details of
our Full Banking Services



A Member of the
STANDARD CHARTERED
BANK GROUP
which has some
1,500 OFFICES IN
60 COUNTRIES

THE No. 1 HOTEL The Palace Hotel & Casino

Offers an ideal mix for business visitors to the Island with first class accommodation and all the facilities that a visitor would expect from a 24-hour room service. In addition our sophisticated night life includes a CASINO, open until the early hours every night. Our grill room, one of the most popular on the Island, catering for both local residents and outside guests, is open from 8 am until midnight.

palace
HOTEL & CASINO

Special commercial rates are available on request for regular visitors staying at least 30 days.
These rates show a large saving on our normal prices.
Central Promenade, Douglas, Isle of Man. Tel: (0624) 422222
Telex: 627742. Telegrams: JACAPORT

Captive insurance companies seen as a major prize

in-house insurance arrangements. Risks can be closely controlled by use of the reinsurance market and sophisticated management services are made available by the big insurance broking organisations.

Usually, though not always, captives are located offshore. This is partly because of the favourable tax treatment offered by many offshore havens—the Isle of Man, for instance, exempts both underwriting profits and investment income from income tax. It is also because there is freedom from the often onerous reporting and control requirements commonly imposed upon insurance companies by mainland authorities who are primarily concerned with the protection of consumers.

A captive "located" offshore

can therefore hope to build up

its reserves more rapidly,

because of the absence of a tax burden, and can rely on cheaper administration.

On the other hand, some of the costs of operation offshore—such as salaries and travel—may be greater.

And the practicability of running an offshore captive insurance company depends upon the availability of local services of a financial and legal nature, as well as specialised insurance advice.

Around the world there are probably at least 1,500 captive insurance companies and the number is growing fast.

The biggest share of this market has been secured by Bermuda,

which is well placed geographically

to handle the American

captives—several hundred of

which are also registered in the Caymans.

Of the British captives most

have probably gone to Guernsey,

which is recognised for its

expertise in this area and

are also concerned to build up the

probably is lost to more than 100 companies. But the Isle of Man, like Guernsey, is close to the UK and incidentally is therefore close to the big reinsurance market at Lloyd's of London.

It was against this background that Tynwald passed the Exempt Insurance Companies Act last November. This provided that the island's Treasurer might, after consultation with the Assessor of Income Tax, exempt the whole of the profits or income of an insurance company from liability to income tax provided that the company undertakes insurance entirely outside the island.

probably is lost to more than 100 companies. But the Isle of Man, like Guernsey, is close to the UK and incidentally is therefore close to the big reinsurance market at Lloyd's of London.

It was against this background that Tynwald passed the Exempt Insurance Companies Act last November. This provided that the island's Treasurer might, after consultation with the Assessor of Income Tax, exempt the whole of the profits or income of an insurance company from liability to income tax provided that the company undertakes insurance entirely outside the island.

probably is lost to more than 100 companies. But the Isle of Man, like Guernsey, is close to the UK and incidentally is therefore close to the big reinsurance market at Lloyd's of London.

It was against this background that Tynwald passed the Exempt Insurance Companies Act last November. This provided that the island's Treasurer might, after consultation with the Assessor of Income Tax, exempt the whole of the profits or income of an insurance company from liability to income tax provided that the company undertakes insurance entirely outside the island.

probably is lost to more than 100 companies. But the Isle of Man, like Guernsey, is close to the UK and incidentally is therefore close to the big reinsurance market at Lloyd's of London.

It was against this background that Tynwald passed the Exempt Insurance Companies Act last November. This provided that the island's Treasurer might, after consultation with the Assessor of Income Tax, exempt the whole of the profits or income of an insurance company from liability to income tax provided that the company undertakes insurance entirely outside the island.

probably is lost to more than 100 companies. But the Isle of Man, like Guernsey, is close to the UK and incidentally is therefore close to the big reinsurance market at Lloyd's of London.

It was against this background that Tynwald passed the Exempt Insurance Companies Act last November. This provided that the island's Treasurer might, after consultation with the Assessor of Income Tax, exempt the whole of the profits or income of an insurance company from liability to income tax provided that the company undertakes insurance entirely outside the island.

probably is lost to more than 100 companies. But the Isle of Man, like Guernsey, is close to the UK and incidentally is therefore close to the big reinsurance market at Lloyd's of London.

It was against this background that Tynwald passed the Exempt Insurance Companies Act last November. This provided that the island's Treasurer might, after consultation with the Assessor of Income Tax, exempt the whole of the profits or income of an insurance company from liability to income tax provided that the company undertakes insurance entirely outside the island.

probably is lost to more than 100 companies. But the Isle of Man, like Guernsey, is close to the UK and incidentally is therefore close to the big reinsurance market at Lloyd's of London.

It was against this background that Tynwald passed the Exempt Insurance Companies Act last November. This provided that the island's Treasurer might, after consultation with the

ISLE OF MAN III

Industrial estates projects justified by success in attracting newcomers

MANUFACTURING industry is a growth sector of the Isle of Man's economy in spite of the world recession. Already it provides permanent employment for over an eighth of the island's workforce and government support is aimed at ensuring that this workforce grows as quickly as possible.

When Tywald decided that manufacturing industry should be encouraged to increase the aim was, as it still is, to diversify the range of industries as much as possible. At the same time it was accepted that the tourist

industry was important so a firm guideline was laid down that the island's environment should be disturbed as little as possible.

There were grim reminders in two areas of what can happen when a waste producing industry, lead mining, does its worst. So the Industrial Advisory Council, now a full Board of Tywald, agreed that there should be compact industrial areas established in locations easily accessible to people in the main concentrations of population. From 1976 Mr Edward Kerruish, a

Tynwald member with a business background, was chairman of the council, and now has become chairman of the Board, the Manx Industry Minister.

In spite of brushes with conservationists the establishment of industrial estates has gone steadily ahead, and plans for yet another of these compact areas of industrial activity, at Peel, are in hand. Most visitors to the island will be unaware of their existence, yet the list of industries operating is a long one and well diversified, ranging from

aviation to yacht building. Of course this has not just happened. A great deal of effort has been, and is being, put into campaigns to attract industrialists to establish factories on the island. There is a clear realisation that there is keen competition from other areas trying to attract industry and the board is convinced that the Isle of Man has special attractions not available in all other competing areas.

"We can offer financial and political stability, through

our Government, and good industrial relations. There is also a versatile workforce which the Manx Government is trying to ensure has training to allow its members to adapt to new plant in the factories," says Mr Kerruish outlining his board's policy.

The training includes two schemes, both for engineering, one for school leavers, the second for people transferring from other jobs.

Mr Kerruish also points out the taxation advantages for industrialists, no corporation

tax or surtax, and a low, 25p in the £, standard rate of income tax for residents and non-residents.

The board offers generous grants and loans to industrialists setting up factories. And when a firm becomes established there is still support for new plant. This has enabled small precision engineering firms, the backbone of the industrial sector, to purchase the most sophisticated machine tools available.

Mr Kerruish says it was always made clear to investi-

gating industrialists that the Isle of Man is not isolated and has good air and sea services throughout the year, with roll-on, roll-off cargo ferries available to carry goods with a minimum of delay at ports. In that way through shipment by lorry to any destination is possible. Air freight facilities are also available to and from the island.

Mr Kerruish and his board are, rightly, proud of the way Manx manufacturing industry has weathered the storms of the recession. The total workforce employed is 3,000, and in the past two years fewer than 100 have been made redundant. In many cases, in fact, men who have been declared redundant have rejoined the same firm within a few weeks.

The manufacturing industry sector of the Manx economy is buoyant and expanding, ready to play its full part in the long awaited general recovery.

W. R. Clucas

If tourism is to flourish better all-round facilities will have to be provided

Pressure to win back the holiday crowds

IT IS just two miles from the Crow's Nest Restaurant, near the entrance to the docks, to Summerland at the other end of Douglas's promenade. Those two miles, forming a deep crescent, are a perfect representation of the British holiday resort. The islands may be self-governing but it relies on the mainland British for its bread and butter — and all its jam too.

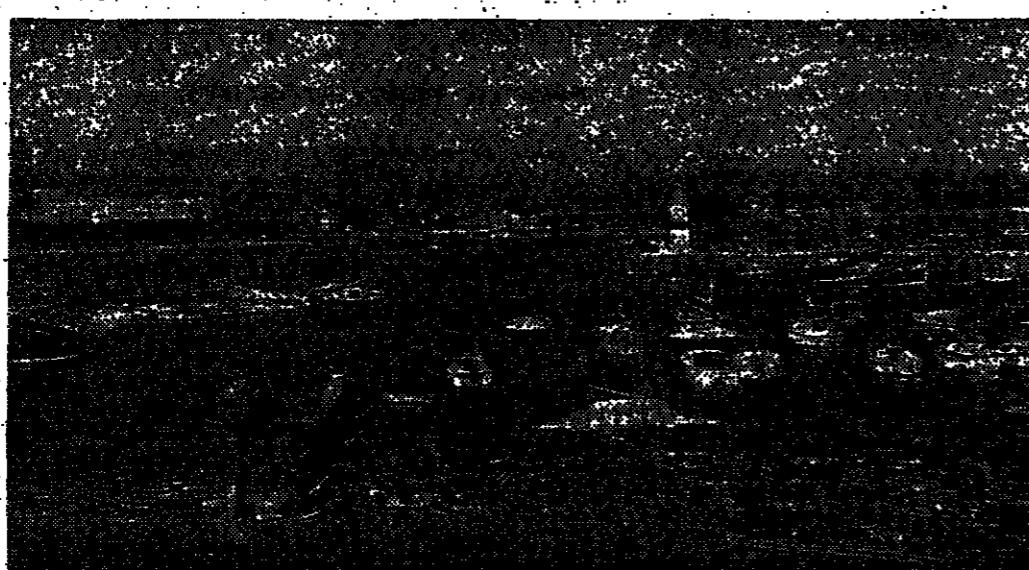
In the centre of the arc there is the four-star Palace Hotel, flanked by its Lido and associated attractions. Either side there is a cross-section of hotels that perhaps announce their owners' — or their one-time owners' — background.

These hotels' names are a mirror of a different past, perhaps a more gracious past, when the Wakes Weeks crowds would descend on Liverpool, Fleetwood and Ardrosson in their thousands en route for Douglas's imperial charms.

They would stay at the Lansdowne, Metropole, Piccadilly or Braemar — or perhaps the Rutland, Clifton or Grasmere. Then there was the Balmoral, Windsor, Osborne or Rothesay, all gracious echoes of Queen Victoria and her wanderings.

The hotels remain, smartly repainted over the past two or three years so that Douglas looks as though it has had a giant wash and brush-up. All that is missing is the crowds.

Douglas, and the Isle of Man as a whole, is having a nasty summer. The horse-drawn trams that are a feature of the



Port St Mary — once a fishing port — has the air of any of Britain's holiday resorts

Main capital and the electric railway that runs up the coast to Laxey and its famous wheel have few patrons. There is one universal word to be seen in all the windows of the hotels along the front: vacancies.

Unemployment and the recession has taken its toll on the crowds that once came from Bolton and Bacup, Burnley and Barnsley, not to mention Glasgow and other points. And if the families are in work and want a holiday the Spanish Costa are cheaper sunnier and offer a tingle of foreign hopes.

The Island's problem is that it has failed to come to terms with changing holiday patterns. It still attracts the motor-bike fraternity in enormous numbers, drawn essentially by the June TT races but also by those held in the autumn. It still attracts a smattering of visitors from the North West, the Midlands and the London area. But whereas tourism once accounted for a large share of the national income it now contributes only 10 per cent.

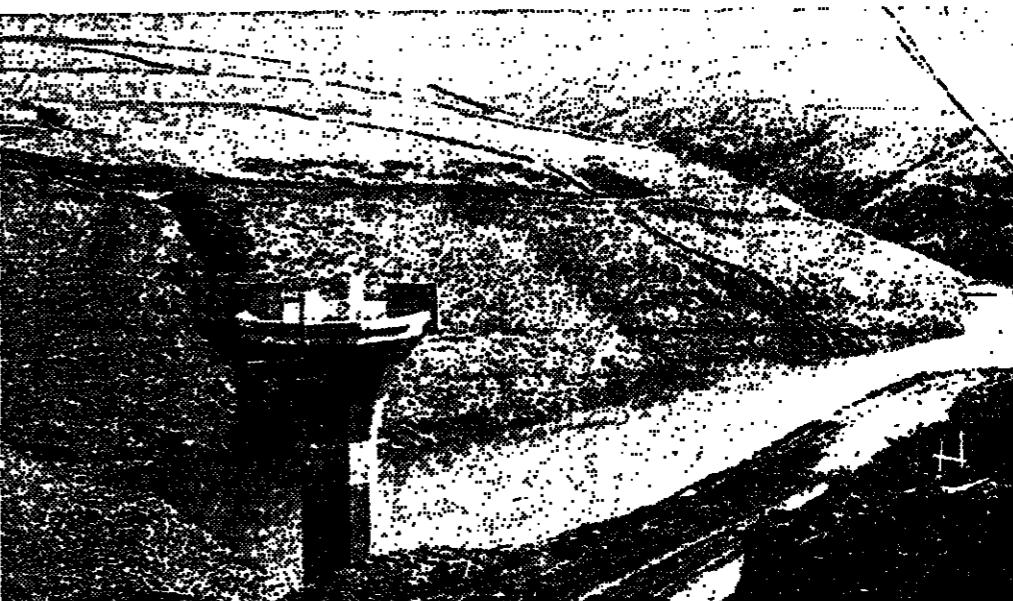
The Island has attempted to put more resources into self-

catering apartments in the past couple of years but it is a case of too little and too late.

Yet the island has some unrivalled facilities if they are to be exploited — and that exploitation need not involve over-commercialisation of its resources. Hill-walking, pony-trekking and other outdoor activities could take place in areas which would take the crowds away from Douglas and provide income for the rural areas.

Snaefell, after all, rises to just over 2,000 ft and around

Anthony Moreton



The Sulby dam — a major capital project — showing (top) the extent of the area to be flooded and (below) the sealer coat being applied to the face of the dam



Ask the question.



- 1 Can you give me quotations for deposits in sterling and other currencies?
- 2 I'm resident outside the UK. How can you help me?
- 3 What are the advantages of setting up a company on the Isle of Man?
- 4 Can you provide a loan in Swiss Francs or U.S. dollars?
- 5 Can you advise me on my tax and investments?

I'm emigrating. Should I leave assets in the UK or the Isle of Man?

At the Midland, we like listening to tough questions. We like coming up with the answers even more.

So see your local Midland manager, or contact one of the offices below.

And ask the question.

Midland Bank Group

Come and talk to the listening bank

Midland Bank Group in the Isle of Man includes:

Midland Bank plc (Incorporated in England, PO Box 20
10 Victoria Street, Douglas, Isle of Man. Tel: Douglas 230513
Manager: W. Molin. Asst. Manager: P. H. Jackson
Midland Bank plc, St. Paul's Square, Ramsey, Isle of Man
Tel: Ramsey 814000. Manager: G. R. Pickles)

For specialised advice on matters of trust services, investment and company management, and taxation advice please consult the following.

Midland Bank Trust Corporation, Isle of Man Limited, (Incorporated in the Isle of Man), PO Box 39
10 Victoria Street, Douglas, Isle of Man. Tel: Douglas 23118/9. Telex: 628037
Director and General Manager: F. J. A. Brown. Manager: G. R. Thompson

Conduct your own survey.

If after reading the Survey, you'd like to visit the Isle of Man, no problem.

Just take one of British Midland's twice daily flights out of Heathrow, direct to Ronaldsway.

It's the quickest way to see eye to eye with the Island's flourishing business community. (Flourishing, indeed — since we took over the route, we've had to double the number of scheduled flights).

You can be there and back in a day, with plenty of time in between to settle your business.

All for the modest sum of £88 day return fare.

LONDON (HEATHROW) — ISLE OF MAN

Dep.	Arr.	Flight No.
DAILY	0930	1050 BD 304
DAILY	1900	2020 BD 308

ISLE OF MAN — LONDON (HEATHROW)

DAILY	0740	0900 BD 303
DAILY	1710	1830 BD 307

For reservations phone 01-581 0864 or 0624 24419

Also daily scheduled services Isle of Man-Belfast and Isle of Man — Liverpool.

Fly British Midland
The friendly independent



ISLE OF MAN V



Two of the island's tourist attractions: the Laxey water wheel and ancient Peel Castle

ISLAND NOTEBOOK

BY ANTHONY MORETON

THE MANX authorities have always taken a much more relaxed attitude towards people who want to settle there than those of other islands such as Guernsey or Jersey. For all that, it still has its problems. At the meeting of Tynwald last week a lady from Peel petitioned the parliament (one of the attractive features of the constitution) because she claimed the work-permit system was forcing her daughter and son-in-law to emigrate.

The administrations of Jersey and Guernsey take the view that you can live on their islands if you can find somewhere to live but they make it extremely difficult and highly expensive to do that. Anyone can arrive on the Isle of Man and live there but the island

has very tight rules as to who can find work.

No outsider can take a job if it can be shown there is an islander who is qualified and who wants the position. Of course there are ways round the rules but they take time and effort and can be self-defeating.

It is understandable that there should be some regulations. Islands, especially tax havens, are attractive places to work and, in the Manx case, to live. It would be all to easy for a flood of people to come in and destroy the essential character of the place. Many Manx people are intensely worried as it is about the preservation of their quality of life and do not want to see it

trampled on by people whose only interest is to benefit from the 20% in the £ level of tax.

But at what point does one draw the line? A couple of years ago an official report suggested that the population should be allowed to grow to 75,000 from its present level of just over 60,000. This caused enough of a stir but in the meantime unemployment has risen to its highest level since the 1950s and the flow of immigrants has largely stopped. Indeed, it probably is going the other way. "The wealthy incomers always go back when there is a Tory Government at Westminster, especially one like Mrs Thatcher's," I was told.

With the island anxiously seeking to boost its manufacturing sector there is a need for more skilled people on the island. Bottlenecks are already appearing in some sectors because of shortages of particular skills, which makes the administration of a population policy all the harder.

This does nothing to lessen the ire of the petitioners from Peel who is aggrieved to find that her family, born and brought up on the island, do not qualify for Manx status because they were away in 1975 on the day which gave people their citizenship. Lots of professional people such as doctors and others like students, seamen and servicemen suddenly found they needed a work permit to get a job in their own homeland. It's one of the

Where the rod still rules

IF THERE is one thing that cements the native islander and the income quicker than any other it is the question of birching; more particularly, the decision of the European Commission for Human Rights a couple of years ago that birching should be abolished. "They should keep their noses out of

our affairs," I was told bluntly by one civil servant of otherwise impeccable liberal convictions. "We don't want your city crime rates over here and we're determined to keep birching."

All of which is highly embarrassing for Mr William Whitelaw, the Home Secretary, and the Home Office. Constitutionally the Island's relations with the UK are conducted through the Home Office and the UK represents the Isle of Man before bodies such as the Human Rights Commission. But the UK has no power to enforce on the Island the 'oldest dicta' of any outside body, so that

when Mr Whitelaw was told to end birching, how could he? His flat ends at the British shoreline.

Of course he can (and no doubt does) exercise that power so eloquently described by the late Mr Iain Macleod as "unconscious persuasion". It may have won him a breathing space because the Island has not birched anyone since the edict from Europe. But the island has not dropped the power, which it was told to do. One of the things about being small is that you can put your thumb to your nose to big brother and impunity, which is just what Douglas has done.

Viking names live on

THE SENSE of being abroad comes very quickly to the visitor to Douglas. Although the town looks like any other English seaside resort it is the names that give the game away. The Manx people have distinctive names. Corkill, Creer, Keig, Kermonde, Quiggin and Quirkie, make you feel you have almost, but not quite, been here before.

The emphasis on names starting with the letter C or K, and to a lesser extent with Q, stems from its Viking and Gaelic antecedents. Both letters C and K are pronounced hard and thought to be based on the Gaelic Mac, meaning "son of". So Macluie, the son of Luke, could have become Clucas.

However, Bill Clucas, the FT's correspondent on the island, tells me that his surname, probably the second, oldest to be established, might be the mainland of Scotland.

The ex-colonial boys

THE WEALTHY immigrants who have settled in Ramsey and Port Erin to take advantage of the tax laws are for the most part not really all that wealthy. Admittedly there are people like Robert Sangster, of the Vernon Pools family, who has won just about every Derby that has been run this year. But for the most part the settlers are former Civil Servants trying to

protect their fixed pensions against inflation in a tax haven.

Many of them served abroad in Kenya or the Far East. This has led to their being known by the natives as "whenevers" a reference to their alleged open conversations, especially in cocktail chatter, with the phrase: "When I was in Nairobi . . ." or "When I was in Kuala Lumpur . . ."

ALEXANDER HOWDEN INTERNATIONAL SERVICES

Specialists in

offshore international and multinational insurances and re-insurances
Especially related to

self insurance and captive insurance programmes, supported by full
consultancy services, risk management and insurance surveys.

28 ATHOL STREET, DOUGLAS

Telephone: 0624-3325 Telex: 628453 and at Bermuda, Gibraltar & Guernsey

The traveller and his needs

Getting there

BY AIR

From London Heathrow: British Midland Airways has two flights daily to and from the Isle of Man. Schedules are arranged to allow a full day in London or the island.

From Liverpool: British Midland operates two flights daily in each direction.

From Belfast: British Midland operates two flights daily in each direction.

From Manchester: Air UK operates two flights daily in each direction.

From Blackpool: Air UK operates two flights daily in each direction.

From Glasgow: Air UK operates one flight a day in each direction from June to September, two flights weekly for the rest of the year.

From Dublin: Air UK operates one flight a day in each direction from June to September, two flights weekly for the rest of the year.

From Edinburgh and Leeds-Bradford (Air UK): from Aberdeen, Newcastle, Birmingham, East Midlands, Bristol, Cardiff and

London Gatwick (Dan Air); from Prestwick (Logan Airways); and from Teesside (Cazaer Airways).

There are two air taxi companies based at the Isle of Man Airport, City Air Links and Woodgate Air Taxis.

BY SEA

Isle of Man Steam Packet Co. ferries operate throughout the year from Liverpool to Douglas, with services from Ardrosson, Belfast, Dublin, and Fleetwood during the summer season. These ships can carry light commercial vehicles, and are supported by a ro-ro freight service between Liverpool and Douglas which can carry heavy loads.

Sealink operates a ro-ro passenger-freight service between Heysham and Douglas with night sailings from Heysham every night.

From Dublin: Air UK operates one flight a day in each direction from June to September, two flights weekly for the rest of the year.

From Edinburgh and Leeds-Bradford (Air UK): from Aberdeen, Newcastle, Birmingham, East Midlands, Bristol, Cardiff and

London Gatwick (Dan Air); from Prestwick (Logan Airways); and from Teesside (Cazaer Airways).

There are two air taxi companies based at the Isle of Man Airport, City Air Links and Woodgate Air Taxis.

Businessman's Guide

Bucks Road, Douglas (Tel: 26262).

Central Registry (company affairs and searches, civil court offices; property register), Finch Road, Douglas (Tel: 5506).

Customs and Excise, Customs House, North Quay, Douglas (Tel: 4321).

Chamber of Trade, Commerce and Industry, 6, St Georges Street, Douglas (Tel: Douglas 4941).

Restaurants

With a growing resident population, there has been an increase in the number of restaurants available throughout the year, and many have received recommendations in good food guides. In the summer season reservations are advised. Some of the larger hotels operate restaurants.

Douglas: Admiral House, Loch Promenade (29551); Boncopsis, King Edward's Road (5626); Villier's Hotel, Loch Promenade (27611); Sefton Hotel, Harris Promenade (26011); Castle Mona Hotel, Central Promenade (4336); L'Experience, Summer Hill (23103); Palace Hotel, Central Promenade (4521).

Ramsey: Harbour Bistro, East Street (814182); Ravensdale Castle Hotel, The Glen, Ballaugh (897330).

Peel: Lively Lobster, The Quay (542789), summer only.

Castletown: Castletown Golf Links Hotel, Fort Island, Derbyhaven (822201), summer only.

Ballaugh: The Coach House (822343).

Banks

UK clearing banks have several branches in the island, most being represented in all the towns. British merchant banks and international banks are also well represented, with offices mostly in Douglas.

This does nothing to lessen the ire of the petitioners from Peel who is aggrieved to find that her family, born and brought up on the island, do not qualify for Manx status because they were away in 1975 on the day which gave people their citizenship.

As on the mainland with one extra, Tynwald Day, July 5, when the Manx Parliament meets at an open-air sitting to proclaim the laws passed during the year.

On the mainland with one extra, Tynwald Day, July 5, when the Manx Parliament meets at an open-air sitting to proclaim the laws passed during the year.

Government Offices (main government business centre),

Public holidays

As on the mainland with one extra, Tynwald Day, July 5, when the Manx Parliament meets at an open-air sitting to proclaim the laws passed during the year.

Useful addresses

Government Offices (main government business centre),

The official IOM WORLD CUP CROWN



World Cup official. Authentic Manx legal tender Crown coin, and a genuine World Cup Spain '82 commemorative. On the reverse the national emblem of the 6 past winners with the Sovereign's head shown on the obverse.

Brilliant finishing. Our strikers score again—with a super coin struck to Proof® perfection (frosted-reliefs and mirror-tablets) and to our "Diamond" fine finish.

The World Cup coin is minted in Cu-Ni for Isle of Man distribution and in 9ct Gold Proof®, Sterling Silver Proof® and in "Diamond Finish" Cu-Ni for collectors.

Low strike price. Restricted to amazingly low mintages, they could prove to be a very worthwhile acquisition in the years ahead.

Spread the cost by payment plan. Just £1.00 per month for 3 months for the Silver Proof and £13.00 per month for the 9ct Gold.

Reserve yours today. Next week may be too late.

EDITION	FINISH	WEIGHT	DIAM.	ISSUE LIMIT
9ct Gold	Proof®	5.10 gms	22.10mm	10,000
9ct Gold	Proof®	22.28 gms	38.60mm	15,000
9ct Gold	Diamond	28.28 gms	38.60mm	50,000

see coupon

Order now and receive a free copy of the "Isle of Man Mint Catalogue".

Postage and packing included.

Prices include carriage, VAT and taxes of publication and export delivery.

Postage and packing included. All postage and packing will be remitted at the order received and any amount over the postage and packing will be retained.

Please allow 4 weeks for delivery.

ENCLOSE Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

OR Enclose Tick Box If you require a copy of the "Isle of Man Mint Catalogue".

<p

Companies and Markets

LONDON STOCK EXCHANGE

Investment enterprise stifled by growing concern over rail deadlock and latest Middle East conflict

Account Dealing Dates

First Declarer Last Account Dealings: 10am Dealings Day July 5 July 15 July 16 July 26 July 19 July 29 July 30 Aug 9 Aug 2 Aug 12 Aug 13 Aug 23

** "New-day" dealings may take place from 9.30 am two business days earlier.

Mounting concern over both the rail deadlock and the latest outbreak of hostilities between Iran and Iraq stifled investment enterprise in London stock markets yesterday. Continued hopes of cheaper money, not entirely satisfied by Tuesday's clearing bank base rate reductions, and news of manufacturing industry's lower wage settlements failed to encourage support. The outcome was inconclusive in both the main investment sectors with only South African Gold shares providing a little colour.

British Funds moved narrowly, fluctuating either side of overnight levels in a business notable only for substantial switching operations, most of which occurred at the longer end of the market. The U.S. Treasury's late announcement on Tuesday of a record bill offering next week cast some doubts on recent predictions that the Federal Reserve might relax its tight money policy, but the U.S. bond market opened higher yesterday. The effect on

Gilt-edged, however, was short-lived.

Scattered final movements were limited to 4 in each direction with the exception of the low-coupon Treasury 3 per cent 1987, which gained 4 to 77. The Bank of England left money market intervention rates on all four bands at Tuesday's reduced levels, as expected.

Wall Street's overnight inaction imparted easiness to leading shares at the opening, but values picked up later in the morning. Interest remained centred on Glaxo and, with fresh investment demand, finding sellers extremely reluctant, the shares soared 28 more to a record 783p; talk suggested that a broking house had upgraded its profits forecast for the group in sympathy. Beecham rose 11 to 325p in Provident Finance.

Hammer Life stood out in Insurances with a fall of 8 to 277p on fears that the group's new business figures, scheduled to be announced tomorrow, will disappoint.

Interest in the drinks sector was again mainly confined to cider manufacturers. Pre-

liminary profits from H. P. Bulmer were around 51m in excess of general market estimates, and buoyed also by the 34 per cent rise in the dividend, the shares advanced 28 to 460p. Merrydown Wine, annual results scheduled for July 26, closed 5 to the good at 112p. Leading Breweries passed a quiet session, although the undertone remained firm.

Bulking shares passed another uninspiring trading session.

Among the occasional noteworthy movements, comment on the preliminary figures prompted a rally of 6 to 184p in Magnet and Southern, but further consideration of the annual results left HAT Group 4 lower at 85p. Press mention prompted occasional interest in British Dredging, which settled a penny firmer at 33p. On the other hand, Taylor Woodrow gave up 8 to 485p and Redland 3 to 31p. G. Dewe eased a couple of pence to 118p awaiting today's interim figures.

Little of interest occurred in Chemicals. ICI again traded quietly and held at 286p. Support lifted Arrow 5 to 45p following a broker's recommendation.

Leading Stores finished with a slightly firmer bias, although business levels again left much to be desired. Gosses "A" held at 475p, preliminary results today are expected to show pre-tax profits of around £184m. Secondary counters came on offer and gave up to 200p, but Rank Organisation picked up 3 to 136p from the depressed level which followed the disappointing interim figures. Elsewhere, Philip Harris put on 13 to 33p in response to better - than - expected preliminary figures, while Rolfe and Nolan, still drawing strength from recent comment, appreciated 4 to 86p. Target held at 115p but profit-taking in the wake of the recent good speculative movement left Peter Black 12 lower at 320p. French competition worries brought about reaction 5 to 221p in British Aerospace, while similar falls were seen in Carlton Industries, 185p, Charles Hill of Bristol, 105p, and Steelyard, 165p.

Motor Distributors, firm of late on revived take over speculation, took on a more irregular appearance. Glenfield Lawrence finished 5 lower at 35p, after 34p, following the increased interim loss, while profit-taking clipped a penny from Kensing, 66p. Henlys, on the other hand, attracted scattered support on recovery prospects and rose 3 to 36p. Components were also mixed. Lucas gave up 2 more to 185p and AE shed a similar amount to 39p, but Dowty, annual results today, firmed a few pence to 185p.

The volume of business in Properties again left much to be

clearing banks. Barclays closed a few pence off at 375p, while Lloyds, which starts the interim dividend season on Friday of next week, ended a similar amount lower at 375p. Midland softened 2 to 385p, after 385p. Discount houses turned irregular, with Carter Allen closing 5 dearer at 325p but Unison finishing that much off at 450p. Revived takeover speculation helped Ferndean to rise 10 to 310p, while AB Electronics peaked up with a gain of 7 to 70p.

Interest in the Engineering leaders remained at a low ebb with quotations drifting easier, mainly on lack of support. John Brown gave up 3 to 47p and GKN 4 to 140p, while TI closed at 264p, but Shell ended up without alteration at 384p, after hardening to 383p in the early dealings. Lassco rallied 10 to 285p and Ultramar 5 to 375p, while Burmab closed a couple of pence dearer at 125p. Elsewhere, ICC Oil Services improved a penny to 21p on the better-than-forecast annual profits. Sun (UK) Royalty, contrasted with a fall of 10 to 120p in a limited market.

Overseas Traders generally had mixed to the overnight position. Tenero Kemsley and Glaxo were briskly traded and touched 50p before settling for a net gain of a penny at 57p. The Office of Fair Trading has cleared the sale of the International Trade Finance division to Hongkong and Shanghai Bank. Titchagh Jute were marked 3 lower at 25p following the substantial first-half deficit and gloomy outlook.

Occasional changes in Trusts were usually confined to a few pence either way. Gresham House, up 4 at 134p, became a better market after the recent setback on adverse Press mention. Among Financials, Mills and Allen gave up 10 to 470p and R.P. Martin trended easier to 28 and GFS 4 to 274, after 283p.

Shippings were rarely altered. Recent investment support for British and Commonwealth firms firmed out and the shares gave up 5 to 485p.

The buoyant bullion price consequent strength of the Financial Rand prompted good gains among South African industrials. Barlow Rose closed 12 higher at 335p, after 340p, while Abscam rose 8 to 118p. OB Bazaar gained 25 more to 725p.

Gold Fields attracted 17p and 157 calls respectively, while British Petroleum recorded 143. Puts totalled 333 deals and, once again, the lion's share of business was directed towards BP which accounted for 107 trades.

Gilt-edged, however, was short-lived.

Scattered final movements were limited to 4 in each direction with the exception of the low-coupon Treasury 3 per cent 1987, which gained 4 to 77. The Bank of England left money market intervention rates on all four bands at Tuesday's reduced levels, as expected.

Wall Street's overnight inaction imparted easiness to leading shares at the opening, but values picked up later in the morning. Interest remained centred on Glaxo and, with fresh investment demand, finding sellers extremely reluctant, the shares soared 28 more to a record 783p; talk suggested that a broking house had upgraded its profits forecast for the group in sympathy. Beecham rose 11 to 325p in Provident Finance.

Hammer Life stood out in Insurances with a fall of 8 to 277p on fears that the group's new business figures, scheduled to be announced tomorrow, will disappoint.

Interest in the drinks sector was again mainly confined to cider manufacturers. Pre-

liminary profits from H. P. Bulmer were around 51m in excess of general market estimates, and buoyed also by the 34 per cent rise in the dividend, the shares advanced 28 to 460p. Merrydown Wine, annual results scheduled for July 26, closed 5 to the good at 112p. Leading Breweries passed a quiet session, although the undertone remained firm.

Bulking shares passed another uninspiring trading session.

Among the occasional noteworthy movements, comment on the preliminary figures prompted a rally of 6 to 184p in Magnet and Southern, but further consideration of the annual results left HAT Group 4 lower at 85p. Press mention prompted occasional interest in British Dredging, which settled a penny firmer at 33p. On the other hand, Taylor Woodrow gave up 8 to 485p and Redland 3 to 31p. G. Dewe eased a couple of pence to 118p awaiting today's interim figures.

Little of interest occurred in Chemicals. ICI again traded quietly and held at 286p. Support lifted Arrow 5 to 45p following a broker's recommendation.

Leading Stores finished with a slightly firmer bias, although business levels again left much to be desired. Gosses "A" held at 475p, preliminary results today are expected to show pre-tax profits of around £184m. Secondary counters came on offer and gave up to 200p, but Rank Organisation picked up 3 to 136p from the depressed level which followed the disappointing interim figures. Elsewhere, Philip Harris put on 13 to 33p in response to better - than - expected preliminary figures, while Rolfe and Nolan, still drawing strength from recent comment, appreciated 4 to 86p. Target held at 115p but profit-taking in the wake of the recent good speculative movement left Peter Black 12 lower at 320p. French competition worries brought about reaction 5 to 221p in British Aerospace, while similar falls were seen in Carlton Industries, 185p, Charles Hill of Bristol, 105p, and Steelyard, 165p.

Motor Distributors, firm of late on revived take over speculation, took on a more irregular appearance. Glenfield Lawrence finished 5 lower at 35p, after 34p, following the increased interim loss, while profit-taking clipped a penny from Kensing, 66p. Henlys, on the other hand, attracted scattered support on recovery prospects and rose 3 to 36p. Components were also mixed. Lucas gave up 2 more to 185p and AE shed a similar amount to 39p, but Dowty, annual results today, firmed a few pence to 185p.

The volume of business in Properties again left much to be

clearing banks. Barclays closed a few pence off at 375p, while Lloyds, which starts the interim

dividend season on Friday of next week, ended a similar amount lower at 375p. Midland softened 2 to 385p, after 385p. Discount houses turned irregular, with Carter Allen closing 5 dearer at 325p but Unison finishing that much off at 450p. Revived takeover speculation helped Ferndean to rise 10 to 310p, while AB Electronics peaked up with a gain of 7 to 70p.

Interest in the Engineering leaders remained at a low ebb with quotations drifting easier, mainly on lack of support. John Brown gave up 3 to 47p and GKN 4 to 140p, while TI closed at 264p, but Shell ended up without alteration at 384p, after hardening to 383p in the early dealings. Lassco rallied 10 to 285p and Ultramar 5 to 375p, while Burmab closed a couple of pence dearer at 125p. Elsewhere, ICC Oil Services improved a penny to 21p on the better-than-forecast annual profits. Sun (UK) Royalty, contrasted with a fall of 10 to 120p in a limited market.

Overseas Traders generally had mixed to the overnight position. Tenero Kemsley and Glaxo were briskly traded and touched 50p before settling for a net gain of a penny at 57p. The Office of Fair Trading has cleared the sale of the International Trade Finance division to Hongkong and Shanghai Bank. Titchagh Jute were marked 3 lower at 25p following the substantial first-half deficit and gloomy outlook.

Occasional changes in Trusts were usually confined to a few pence either way. Gresham House, up 4 at 134p, became a better market after the recent setback on adverse Press mention. Among Financials, Mills and Allen gave up 10 to 470p and R.P. Martin trended easier to 28 and GFS 4 to 274, after 283p.

Shippings were rarely altered. Recent investment support for British and Commonwealth firms firmed out and the shares gave up 5 to 485p.

The buoyant bullion price consequent strength of the Financial Rand prompted good gains among South African industrials. Barlow Rose closed 12 higher at 335p, after 340p, while Abscam rose 8 to 118p. OB Bazaar gained 25 more to 725p.

Gold Fields attracted 17p and 157 calls respectively, while British Petroleum recorded 143. Puts totalled 333 deals and, once again, the lion's share of business was directed towards BP which accounted for 107 trades.

Gilt-edged, however, was short-lived.

Scattered final movements were limited to 4 in each direction with the exception of the low-coupon Treasury 3 per cent 1987, which gained 4 to 77. The Bank of England left money market intervention rates on all four bands at Tuesday's reduced levels, as expected.

Wall Street's overnight inaction imparted easiness to leading shares at the opening, but values picked up later in the morning. Interest remained centred on Glaxo and, with fresh investment demand, finding sellers extremely reluctant, the shares soared 28 more to a record 783p; talk suggested that a broking house had upgraded its profits forecast for the group in sympathy. Beecham rose 11 to 325p in Provident Finance.

Hammer Life stood out in Insurances with a fall of 8 to 277p on fears that the group's new business figures, scheduled to be announced tomorrow, will disappoint.

Interest in the drinks sector was again mainly confined to cider manufacturers. Pre-

liminary profits from H. P. Bulmer were around 51m in excess of general market estimates, and buoyed also by the 34 per cent rise in the dividend, the shares advanced 28 to 460p. Merrydown Wine, annual results scheduled for July 26, closed 5 to the good at 112p. Leading Breweries passed a quiet session, although the undertone remained firm.

Bulking shares passed another uninspiring trading session.

Among the occasional noteworthy movements, comment on the preliminary figures prompted a rally of 6 to 184p in Magnet and Southern, but further consideration of the annual results left HAT Group 4 lower at 85p. Press mention prompted occasional interest in British Dredging, which settled a penny firmer at 33p. On the other hand, Taylor Woodrow gave up 8 to 485p and Redland 3 to 31p. G. Dewe eased a couple of pence to 118p awaiting today's interim figures.

Little of interest occurred in Chemicals. ICI again traded quietly and held at 286p. Support lifted Arrow 5 to 45p following a broker's recommendation.

Leading Stores finished with a slightly firmer bias, although business levels again left much to be desired. Gosses "A" held at 475p, preliminary results today are expected to show pre-tax profits of around £184m. Secondary counters came on offer and gave up to 200p, but Rank Organisation picked up 3 to 136p from the depressed level which followed the disappointing interim figures. Elsewhere, Philip Harris put on 13 to 33p in response to better - than - expected preliminary figures, while Rolfe and Nolan, still drawing strength from recent comment, appreciated 4 to 86p. Target held at 115p but profit-taking in the wake of the recent good speculative movement left Peter Black 12 lower at 320p. French competition worries brought about reaction 5 to 221p in British Aerospace, while similar falls were seen in Carlton Industries, 185p, Charles Hill of Bristol, 105p, and Steelyard, 165p.

Motor Distributors, firm of late on revived take over speculation, took on a more irregular appearance. Glenfield Lawrence finished 5 lower at 35p, after 34p, following the increased interim loss, while profit-taking clipped a penny from Kensing, 66p. Henlys, on the other hand, attracted scattered support on recovery prospects and rose 3 to 36p. Components were also mixed. Lucas gave up 2 more to 185p and AE shed a similar amount to 39p, but Dowty, annual results today, firmed a few pence to 185p.

The volume of business in Properties again left much to be

clearing banks. Barclays closed a few pence off at 375p, while Lloyds, which starts the interim

dividend season on Friday of next week, ended a similar amount lower at 375p. Midland softened 2 to 385p, after 385p. Discount houses turned irregular, with Carter Allen closing 5 dearer at 325p but Unison finishing that much off at 450p. Revived takeover speculation helped Ferndean to rise 10 to 310p, while AB Electronics peaked up with a gain of 7 to 70p.

Interest in the Engineering leaders remained at a low ebb with quotations drifting easier, mainly on lack of support. John Brown gave up 3 to 47p and GKN 4 to 140p, while TI closed at 264p, but Shell ended up without alteration at 384p, after hardening to 383p in the early dealings. Lassco rallied 10 to 285p and Ultramar 5 to 375p, while Burmab closed a couple of pence dearer at 125p. Elsewhere, ICC Oil Services improved a penny to 21p on the better-than-forecast annual profits. Sun (UK) Royalty, contrasted with a fall of 10 to 120p in a limited market.

Overseas Traders generally had mixed to the overnight position. Tenero Kemsley and Glaxo were briskly traded and touched 50p before settling for a net gain of a penny at 57p. The Office of Fair Trading has cleared the sale of the International Trade Finance division to Hongkong and Shanghai Bank. Titchagh Jute were marked 3 lower at 25p following the substantial first-half deficit and gloomy outlook.

Occasional changes in Trusts were usually confined to a few pence either way. Gresham House, up 4 at 134p, became a better market after the recent setback on adverse Press mention. Among Financials, Mills and Allen gave up 10 to 470p and R.P. Martin trended easier to 28 and GFS 4 to 274, after 283p.

Shippings were rarely altered. Recent investment support for British and Commonwealth firms firmed out and the shares gave up 5 to 485p.

The buoyant bullion price consequent strength of the Financial Rand prompted good gains among South African industrials. Barlow Rose closed 12 higher at 335p, after 340p, while Abscam rose 8 to 118p. OB Bazaar gained 25 more to 725p.

Gold Fields attracted 17p and 157 calls respectively, while British Petroleum recorded 143. Puts totalled 333 deals and, once again, the lion's share of business was directed towards BP which accounted for 107 trades.

Gilt-edged, however, was short-lived.

Scattered final movements were limited to 4 in each direction with the exception of the low-coupon Treasury 3 per cent 1987, which gained 4 to 77. The Bank of England left money market intervention rates on all four bands at Tuesday's reduced levels, as expected.

Wall Street's overnight inaction imparted easiness to leading shares at the opening, but values picked up later in the morning. Interest remained centred on Glaxo and, with fresh investment demand, finding sellers extremely reluctant, the shares soared 28 more to a record 783p; talk suggested that a broking house had upgraded its profits forecast for the group in sympathy. Beecham rose 11 to 325p in Provident Finance.

Hammer Life stood out in Insurances with a fall of 8 to 277p on fears that the group's new business figures, scheduled to be announced tomorrow, will disappoint.

Interest in the drinks sector was again mainly confined to cider manufacturers. Pre-

RECENT ISSUES

EQUITIES

Issue price	Latest up	1982	Stock	Open	Close	Change	High	Low	Amount	Div.	Yield

<tbl_r cells="12" ix="4" maxcspan="1" max

\$ & £ steady

The dollar showed little overall change in currency markets yesterday in the absence of any clear trend on interest rates. There may have been some demand generated by increased Middle East tension between Iran and Iraq but this did not appear to be a dominant factor.

Sterling was very steady overall, as shown in its trade-weighted index, which was unchanged throughout.

DOLLAR — Trade-weighted index (Bank of England) 121.5 against 121.3 on Tuesday and 109.3 six months ago. Three-month Treasury bills 12.65 per cent (12.14 per cent six months ago). Annual inflation rate 6.7 per cent (6.6 per cent previous month) — The dollar rose initially in thin trading against European currencies apart from sterling and then eased back during the afternoon. However, demand from the U.S. pushed it sharply firmer towards the close before slipping back to finish largely unchanged. Against the D-mark it finished at DM 2.4940 compared with DM 2.4850 and September 2.4725 from SuFr 2.4260. Against the Japanese yen it closed at Y256.10 from Y257.25.

STERLING — Trade-weighted index 91.2 unchanged from noon and the opening and Tuesday's close (90.1 six months ago). Three-month interbank 12.5 per cent (15.5 per cent six months ago). Annual inflation 9.5 per cent (9.4 per cent previous month) — Sterling opened at \$1.7215 against the dollar and rose to a best level of \$1.7275 before slipping in the afternoon to touch a low of \$1.7215. It closed at \$1.7230-1.7240, a fall of just 5 points from Tuesday's close in London. It was unchanged against the Swiss franc at SuFr 3.6675 and only slightly down in terms of the D-mark at DM 4.3050. Against the French franc it finished at

FFr 11.93 from FFr 11.9350.

D-MAKES — EMS member (weakest). Trade weighted index unchanged at 124.2 and 121.7 six months ago. Three-month interbank 9.475 per cent (10.60 per cent six months ago). Annual inflation 5.8 per cent (5.3 per cent previous month) — The D-mark showed mixed changes at yesterday's fixing in Frankfurt. The dollar rose in DM 2.4955 from DM 2.4792 with the Bundesbank selling DM 15.35m at the fixing and sterling was higher at DM 4.3020 compared with DM 4.2960. The Swiss franc lost ground, however, to DM 1.1731 from DM 1.1749. Within the EMS the French franc was higher at DM 34.01 per FFr 100 from DM 35.05 while the Belgian franc slipped to DM 5.2440 per BFr 100 from DM 5.2500. The dollar's firmer trend was attributed mainly to higher Euro-dollar rates caused by increased Middle East tension, member (third weakest). Trade-weighted index 94.9 against 95.0 on Tuesday and 104.6 six months ago. Three-month Treasury bills 12.5 per cent (15 per cent six months ago). Annual inflation 9.8 per cent (9.5 per cent previous month) — The Belgian National Bank sold the equivalent of BFr 2bn in the foreign exchange market last week according to figures released yesterday. Such action serves to underline the relative strength enjoyed by the Belgian currency just recently although it seems unlikely that the authorities will cut the discount rate this week according to market sources. At yesterday's fixing the dollar rose to BFr 47.55 from BFr 47.28 and sterling was higher at BFr 82.00 compared with BFr 81.87. Within the EMS the D-mark improved slightly to BFr 19.0575 from BFr 19.0350 and the French franc rose to BFr 6.86375 from BFr 6.8560.

£ UK and Ireland are quoted in U.S. dollars, currency, forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

UK and Ireland are quoted in U.S. dollars, currency, forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

THE DOLLAR SPOT AND FORWARD

July 14	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.7225-1.7275	1.7220-1.7240	0.25-0.35c dis	-2.09	1.12-1.22dis	-2.08
Canada	2.4270-2.550	2.4200-2.4510	0.75-0.85c dis	-4.38	2.25-2.45dis	-4.38
Nethlnd.	4.72-4.76	4.73-4.74	1s-1s pm	3.48	41-51pm	3.27
Denmark	14.82-14.81	14.84-14.85	1s-2s pm	-2.64	53-63dis	-2.63
W. Ger.	1.2465-1.2525	1.2460-1.2520	0.67-0.79pm	-6.44	7.85-8.85dis	-6.45
Portugal	14.76-14.77	14.76-14.75	1s-1s pm	-1.34	21.5-26.5dis	-1.37
Spain	18.20-19.10	18.20-19.00	150-200c dis	-10.32	510-560c dis	-10.59
Italy	2.402-2.412	2.403-2.405	1s-1s pm	-7.49	48-51pm	8.22
Norway	11.95-11.98	11.92-11.93	2s-3s pm	-4.63	94-104pm	-3.81
Sweden	10.61-10.65	10.61-10.65	1s-2s pm	-2.51	51-55pm	-3.35
Japan	4.45-4.52	4.45-4.52	2.85-3.85pm	-7.49	5.5-6.5pm	-6.98
Austria	30.22-30.37	30.20-30.35	11s-19s pm	5.20	5.5-6.5pm	9.98
Switz.	3.65-3.69	3.65-3.67	2s-24s pm	3.91	25-27pm	3.73
				8.59	74-74pm	8.18

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis. 12-month 4.10-4.30c dis.

Financial rate 35.95-39.00. Six-month forward dollar 2.30-2.40c dis

HOWE SET TO URGE TIGHT REIN ON BUDGETS

Ministers warned on spending

BY PETER RIDDELL, POLITICAL EDITOR

SIR GEOFFREY HOWE, the Chancellor, will try this morning to persuade the Cabinet to agree to keep public spending levels next year as close as possible to existing plans, in the face of proposals from spending ministers for an additional £1bn.

A Treasury paper circulated to Cabinet ministers warns that unless public expenditure in 1983-84 is held close to the £121bn proposed in last March's White Paper, there will be no chance of significant tax cuts in next spring's Budget—probably the last budget before a general election.

Under existing plans, there is room for only about £500m of tax reduction, equivalent to 1p off the basic rate of income tax. The Treasury sees no reason to believe that the margin is larger.

The Treasury hopes the Cabinet will decide the overall planning total for 1983-84 in

as clear-cut and unequivocal a form as possible, allowing bilateral talks between the Treasury and spending ministers to start in September.

There is also likely to be some discussion today about the broad economic strategy. The Confederation of British Industry is pressing the Government for action to stimulate the economy, but there are no signs of an autumn package.

Mrs Margaret Thatcher, is understood to have told ministerial colleagues that public spending must be held down to permit tax cuts and a further reduction in interest rates next year.

She is said to prefer reductions in income tax, notably by means of raising tax thresholds and allowances, rather than further direct help for industry.

The main items in the additional £5bn being sought by Whitehall departments are extra expenditure on the Falk-

lands operation, on defence equipment generally, on local authorities, on public sector wages after this year's higher-than-expected settlements, on social security benefits and on nationalised industries.

One Minister said the nationalised industry finance and investment review, recently circulated around Whitehall, made worrying reading—particularly in view of the projected financial needs of British Steel.

Even Treasury ministers concede that it will be impossible to get local authority expenditure down to the desired level next year in view of current overspending.

The additional total sought is not excessively large at this stage of the annual spending review, but several spending ministers have argued that it is needed not for expansion, but to maintain the existing level of services.

Spending ministers argue that the introduction of the new

system of cash planning of expenditure in money terms, rather than the old "funny money" planning in volume terms at constant prices, means that insufficient allowance has been made for the actual rise in the cost of programmes. The Treasury assumption of 6 per cent inflation between the current financial year and 1983-84 is regarded as too low by many departments.

There is some leeway to finance part of the bids for extra spending, since £4bn has been allowed for the contingency reserve for unallocated items within the £121bn total for 1983-84.

Meanwhile, the long-standing row between the Treasury and the Ministry of Defence is likely to erupt again, over the issue of increases in the cost of defence equipment and over requests for new and improved weapons systems.

Turkey's deputy premier resigns

BY METIN MUNIR IN ISTANBUL

MR TURGOT OZAL, Turkey's deputy prime minister and architect of the country's economic recovery in the past 18 months, resigned yesterday after disagreeing with the military government over the conduct of his policies.

Mr Bülent Ulusu, the Prime Minister said last night that "there will be no change in the economic policy or any deviation from it. The stability programme will continue to be applied."

Mr Ozal's departure comes as the Turkish economy, after steady recovery since 1980, appears set to slide into recession. Low domestic demand and the high cost of borrowing have brought many companies into

difficult straits and the banking system to near paralysis.

About 20 of Turkey's largest private companies have applied to the Government for financial support. Most banks have stopped new lending and are having difficulty in recovering some outstanding loans.

Large-scale changes are also imminent in the central bank, the state planning organisation, the foreign capital department, and the Ministry of Finance.

Any changes to Mr Ozal's policy, which received generous support from the International Monetary Fund and Western governments and banks, could lead to a break with the IMF, with which Turkey has a three-

year standby agreement. This could lead, in turn, to a halt in the flow of vital funds from the West.

Total compliance with the IMF's strict economic guidelines could, however, increase popular discontent, which for the first time since the military coup in September 1980, is becoming a serious threat to the popularity of the regime. The generals face a referendum on their new constitution in November.

Mr Ozal's position in the Cabinet has been abolished. His job of running the economy will be undertaken by Mr Adnan Baser Kafaoğlu, who becomes Minister of Finance. Mr

Kafaoğlu, 56, has been special economic adviser to General Kenan Evren, the Head of State and Chief of Staff.

A little-known figure, Mr Kafaoğlu has close connections with the large private groups in Istanbul, and a reputation as one of Mr Ozal's main opponents.

Mr Ozal's resignation follows the departure of Mr Kaya Erdem as Minister of Finance, who owed his appointment to Mr Ozal and gave him full support, resigned because he bore most of the blame for the recent collapse of Banker Kastelli, Turkey's biggest money broker.

Mr Ozal's position in the

health unions all-out three-day strike timed to begin next Monday, but fear that the five-week period the RCN needs to complete its latest ballot may see a slackening of solidarity.

Although the RCN will not make a recommendation on the ballot, Mr Trevor Clay, its new general secretary, said he believed 7.5 per cent was the Government's final offer.

Mr Clay also warned that the Government's offer to talk about a new pay structure for nurses for next year might slip away if the present dispute was pro-

longed.

Mr David Williams, assistant general secretary of the Confederation of Health Service Employees (Cohe), said last night that a decision on future action would have to be taken at a meeting of the TUC's health services committee on Thursday.

It depended largely on the response to the strike call.

The Government last night reiterated its tough stand. Mr Geoffrey Flinsberg, Parliamentary Secretary for Health, told the Institute of Health Service Administrators: "There is no more money available for this year's pay round. No amount of industrial action is going to change that."

● Mr Len Murray, the TUC general secretary, has demanded the Government's threat to discipline 550 civil servants who supported the health service staff.

"This is nothing more than a crude attempt to prevent other trade unionists from showing their support for the health service workers' legitimate claim to a fair pay settlement," he said.

Continued from Page 1

Rail closure deadline

strikers saying that they are in breach of their contracts of employment, and are therefore dismissed.

Included in the letters, which will go to probably just under 23,000 staff will be a simultaneous offer of immediate re-engagement on condition that an undertaking to work the new flexible rosters is signed.

BR hopes that its decision will so increase pressure on Aslef members in particular, to defy the strike that it will not be necessary to shut down the system, though this seems a remote chance.

By not moving directly into a suspension of the guaranteed work arrangements, BR is also rewarding staff who have so far neither gone on strike nor

done so.

BR is still talking of a long stoppage, but some private estimates now circulating suggest that Aslef may be beaten in three to five weeks.

Senior BR officials were cautious yesterday about the possibility of mounting an individual ballot of its workers on the issue of flexible rostering, believing that the latest moves would allow strikers to dictate their intentions.

However, BR restated its resolve to press ahead with imposing the new rosters by post-

ing them at 50 more drivers' depots today to come into force on Monday.

This lessens the chances of further interventions by either Aslef or the TUC.

In the talks which ended early yesterday, Aslef proposed that BR withdraw the rosters in return for which the strike would be suspended; that negotiations on the issue begin and be completed within 48 hours; and the results be placed before a recalled meeting of the union's policy-making annual conference within seven-to-10 days.

BR hopes that its decision will so increase pressure on Aslef members in particular, to defy the strike that it will not be necessary to shut down the system, though this seems a remote chance.

The board's announcement yesterday was delayed at the request of Mr Michael Foot, leader, who then met Sir Peter Parker and tried unsuccessfully to persuade BR to reconsider Aslef's proposal.

The board's announcement yesterday was delayed at the request of Mr Michael Foot, leader, who then met Sir Peter Parker and tried unsuccessfully to persuade BR to reconsider Aslef's proposal.

After some tough talking BR now believes Mr Foot has "a clearer understanding" of the position.

The Government is digging in for a bitter and protracted closure. It is preparing a short-term loan for BR, which will attract high interest rates, worsening BR's already gloomy financial position.

Continued from Page 1

Establishing the letters' stamp will be the key task of the experts investigating the Banks of the IOR and the Ambrosiano Group. The relationship between them has been the subject of intense speculation since the death by hanging of Sir Roberto Cabi, Banco Ambrosiano's late chairman, in London last month.

Three experts have effectively superseded Archbishop Paul Marciari at the head of IOR.

The Vatican's earlier refusal to

co-operate with the central bank appears to have softened accordingly.

The resolution of this depends upon agreement over the precise legal nature of the Vatican's backing for the Panamanian companies. It was provided to the Ambrosiano Group in the form of "comfort" letters from the IOR, acknowledging the Vatican's control over the companies and awareness of their borrowing.

Establishing the letters' stamp will be the key task of the experts investigating the Banks of the IOR and the Ambrosiano Group. The relationship between them has been the subject of intense speculation since the death by hanging of Sir Roberto Cabi, Banco Ambrosiano's late chairman, in London last month.

Three experts have effectively superseded Archbishop Paul Marciari at the head of IOR.

The Vatican's earlier refusal to

co-operate with the central bank appears to have softened accordingly.

Continued from Page 1

sed in Milan, Nassau and Luxembourg via the Euro-market. In the first two cases, in Milan and Nassau, funds were purchased in the short-term inter-bank markets. The Luxembourg company, however, drew on syndicated credit managed by a number of leading European banks, including National Westminster, Midland and Credit Suisse. In all, 250 banks were involved.

Repayment of the Milan and Luxembourg's \$700m inter-bank borrowings is now assured—regardless of the Vatican's attitude as a result of the formation of a six-bank "lifeboat" consortium under the aegis of the IOR.

The resolution of this depends upon agreement over the precise legal nature of the Vatican's backing for the Panamanian companies. It was provided to the Ambrosiano Group in the form of "comfort" letters from the IOR, acknowledging the Vatican's control over the companies and awareness of their borrowing.

Establishing the letters' stamp will be the key task of the experts investigating the Banks of the IOR and the Ambrosiano Group. The relationship between them has been the subject of intense speculation since the death by hanging of Sir Roberto Cabi, Banco Ambrosiano's late chairman, in London last month.

Three experts have effectively superseded Archbishop Paul Marciari at the head of IOR.

The Vatican's earlier refusal to

co-operate with the central bank appears to have softened accordingly.

Continued from Page 1

for three months. A similar moratorium is being sought with the Bahamas authorities to cover Banco Ambrosiano Overseas.

The Bank of Italy intends that during this period the Vatican will facilitate a full repayment of the Panamanian companies' loans, allowing as much as possible of the \$1.6bn to flow back along the channels it came from.

The resolution of this depends upon agreement over the precise legal nature of the Vatican's backing for the Panamanian companies. It was provided to the Ambrosiano Group in the form of "comfort" letters from the IOR, acknowledging the Vatican's control over the companies and awareness of their borrowing.

Establishing the letters' stamp will be the key task of the experts investigating the Banks of the IOR and the Ambrosiano Group. The relationship between them has been the subject of intense speculation since the death by hanging of Sir Roberto Cabi, Banco Ambrosiano's late chairman, in London last month.

Three experts have effectively superseded Archbishop Paul Marciari at the head of IOR.

The Vatican's earlier refusal to

co-operate with the central bank appears to have softened accordingly.

Continued from Page 1

for three months. A similar moratorium is being sought with the Bahamas authorities to cover Banco Ambrosiano Overseas.

The Bank of Italy intends that during this period the Vatican will facilitate a full repayment of the Panamanian companies' loans, allowing as much as possible of the \$1.6bn to flow back along the channels it came from.

The resolution of this depends upon agreement over the precise legal nature of the Vatican's backing for the Panamanian companies. It was provided to the Ambrosiano Group in the form of "comfort" letters from the IOR, acknowledging the Vatican's control over the companies and awareness of their borrowing.

Establishing the letters' stamp will be the key task of the experts investigating the Banks of the IOR and the Ambrosiano Group. The relationship between them has been the subject of intense speculation since the death by hanging of Sir Roberto Cabi, Banco Ambrosiano's late chairman, in London last month.

Three experts have effectively superseded Archbishop Paul Marciari at the head of IOR.

The Vatican's earlier refusal to

co-operate with the central bank appears to have softened accordingly.

Continued from Page 1

for three months. A similar moratorium is being sought with the Bahamas authorities to cover Banco Ambrosiano Overseas.

The Bank of Italy intends that during this period the Vatican will facilitate a full repayment of the Panamanian companies' loans, allowing as much as possible of the \$1.6bn to flow back along the channels it came from.

The resolution of this depends upon agreement over the precise legal nature of the Vatican's backing for the Panamanian companies. It was provided to the Ambrosiano Group in the form of "comfort" letters from the IOR, acknowledging the Vatican's control over the companies and awareness of their borrowing.

Establishing the letters' stamp will be the key task of the experts investigating the Banks of the IOR and the Ambrosiano Group. The relationship between them has been the subject of intense speculation since the death by hanging of Sir Roberto Cabi, Banco Ambrosiano's late chairman, in London last month.

Three experts have effectively superseded Archbishop Paul Marciari at the head of IOR.

The Vatican's earlier refusal to

co-operate with the central bank appears to have softened accordingly.

Continued from Page 1

for three months. A similar moratorium is being sought with the Bahamas authorities to cover Banco Ambrosiano Overseas.

The Bank of Italy intends that during this period the Vatican will facilitate a full repayment of the Panamanian companies' loans, allowing as much as possible of the \$1.6bn to flow back along the channels it came from.

The resolution of this depends upon agreement over the precise legal nature of the Vatican's backing for the Panamanian companies. It was provided to the Ambrosiano Group in the form of "comfort" letters from the IOR, acknowledging the Vatican's control over the companies and awareness of their borrowing.

Establishing the letters' stamp will be the key task of the experts investigating the Banks of the IOR and the Ambrosiano Group. The relationship between them has been the subject of intense speculation since the death by hanging of Sir Roberto Cabi, Banco Ambrosiano's late chairman, in London last month.

Three experts have effectively superseded Archbishop Paul Marciari at the head of IOR.

The Vatican's earlier refusal to

co-operate with the central bank appears to have softened accordingly.

Continued from Page 1

for three months. A similar moratorium is being sought with the Bahamas authorities to cover Banco Ambrosiano Overseas.

The Bank of Italy intends that during this period the Vatican will facilitate a full repayment of the Panamanian companies' loans, allowing as much as possible of the \$1.6bn to flow back along the channels it came from.

The resolution of this depends upon agreement over the precise legal nature of the Vatican's backing for the Panamanian companies. It was provided to the Ambrosiano Group in the form of "comfort" letters from the IOR, acknowledging the Vatican's control over the companies and awareness of their borrowing.

Establishing the letters' stamp